



Media and privacy Too big for their boots?



Carl Zeiss A marriage on the rocks



Today's surveys Australia Greater Atlanta

FINANCIAL TIMES

Europe's Business Newspaper

TUESDAY NOVEMBER 1 1994

Three Baby Bells launch joint cable television venture

The convergence of US telecommunications and cable television took a further step with the formation of a joint venture between three regional Baby Bell telephone companies and a leading programming agency. Bell Atlantic, Nynex and Pacific Telesis said they were each investing \$100m over three years in a cable venture including Michael Ovitz's Creative Artists Agency. The partners claim to reach 30m homes in the US, Page 21

Tanker industry warns on new US rules: Tough new rules imposing unlimited financial liability on tankers sailing into US waters could severely damage the tanker industry and half oil shipments to the US, shipowners said. Page 20

Japan's bad debt crisis eases: Yasushi Mieno, governor of the Bank of Japan, said the protracted bad debt crisis experienced by the country's banks appeared to be past its worst. Page 20

China's central bank took a leap into greater public disclosure when it published up to date money sup-ply figures for the first time since the Communist revolution. Page 20

Mayrodi of MMM Joins Russian partia



Sergei Mavrodi (left), charged with tax evasion and whose MMM pyramid selling company crashed in the summer, was elected to the Russian parliament. The Moscow prosecutor said the case had begun hefore Mavrodi stood as a deputy and he could not claim parliamentary immunity. Page 2

pan and US extend trade talks: Japanese and US trade negotiators extended their talks for a third day in an attempt to reach agreement on improving foreign access to Japan's market for glass products. Page 6

President Liamme Zeroual announced that presidential elections would be held before the end of 1995 in an effort to end confrontation with Moslem fundamentalists in which 10,000 people have died.

New chief for Hong Kong stock explange: Edgar Chang Wai kin, elected chairman of the Hong Kong stock exchange, said he was more interested in strengthening the quality of Change and comments listed in the territory than increasing their numbers. Page 26,

US personal income rises: US personal income rose in September for the eighth successive month, the Commerce Department said, but consumption spending, though still increasing, showed some signs of weakening. Page 4

Grandlifet to raise \$500m: Food and drinks oup Grand Metropolitan is to raise \$500m in the US through an issue of perpetual fixed rate preferred securities, a financial instrument similar to preferred stock. Page 30; Lex, Page 20

Thomson to acquire Ziff information arms: Thomson Corporation, travel and publishing group controlled by the Thomson family of Canada, is to acquire a Ziff Communications subsidiary, information Access Company, for \$465m. Page 21

China and S Korea sign aircraft deak South Rorea and China agreed a \$1.5bn deal to develop a 100 seat aircraft in the latest of several proposed Asian aerospace projects. Page 6

wans to seek more overseas invest Cuba plans to open more of its recession-hit economy to foreign investment. Page 4

Hungarian sale inferests European banks: Three western European banks are considering bids for Hungary's Budapest Bank, one of the country's top four commercial banks. Page 21

Vestey buys back food interests: The Vestey family is to buy back a large part of food processing and distribution group Union International as part of a restructuring of the private Vestey food, shipping and property business empire. Page 22

Threat to kidnspped Britons: A Kashmiri militant group holding three British backpackers hostage in northern India has threatened to behead them if 10 of their own men are not freed from jail.

spirations to launch airline: Inspirations, the UK tour operator which floated on the Unlisted Securities Market last December, is to launch its own airline. Page 31

into the set of the second second	::::::::::::::::::::::::::::::::::::	·	•	
E STOCK MARKET HOM	358 ;	11 8 7	ابيا ابلوا)
FT-SE 100: 3,897.4	H13.6	New Y	ork keicht	me:
Yest4.09		\$	1.6386	
FT-SE-Eurotrack 1001,337.14	(+10.53)			1500
FT-SE-A All-Share1,536,31	(+0.4%)		1.6396	
18tol19,969.60	(+184.44)			
New York: Innchises			8.419	
Dow Jenes Ind Ave3,923.26		SH	2.9513	(2,046)
. SEP Composite	(+0.07)	Y	158.082	
E US LUNCHTBE RATE	S - 2 * - 4	1 mag	. 9 j.0	(80.7)
Federal Funds:478%			NLAR	5 - 1
3-con Trees: 1982: Yel5.163%		23	urk lanchi	
Long Bond 947	`		1.50315	THE .
Yes 7.985%		DM FR	5.1475	
			1.25465	٠.,
IN FOUDON MONEY		Э Т.	98.825	•
3-mo interbenk	(6%)	ا ا		
Life long gilt lutererDec 10012 (Doc:100333	London	1.5077	11.50940
M NORTH SEA OIL (Argue			E1633	(1.3489) (5.1866)
				(1.2602)
Brent 15-day (Dec)\$16.77	- Horan	on.	96.96	57.335)
■ Cold	- 1	I i		
Herr York Cornex (Dec)\$384.9	(388.7)	\$ Index	B1.0	(51.1)
CONTRACTOR (CAC)		Talous :	dost Y 97.	37
ionden\$394.5	، وصحيح	-cayo	1 211	
			شبه .	ADIS 00

Schilz Orneca D.SSO Maina
District Control of Control o Lingsto Cetter CR13.00 MEDIS S.Arabia SR11 MDi15 Singapore8\$4.30 FI 425 Slovak RpKSL50 R185 Monoco Amuria Caragnaria (1985)
Refo Northy Net/1700 Spain Pta225
L2000 Orten OR150 Sweden SK/18
Y000 Paliater Pa00 Sweden SK/18
Y000 Turkey L30000 Turkey L30000
USS1.50 Pontagal (1986) Turkey L30000
USS1.50 Pontagal (1986) Turkey L30000
URSS CARE DR12.00 CNC18 Baly ESS.00 Japan EN 20 Jacon

C THE FINANCIAL TIMES LIMITED 1994 No 32,512 Week No 44

RJR Nabisco to float 19% of its food business

Bý Tony Jackson in New York

RJR Nabisco, the US tobacco and food group, is to float 19 per cent of its Nabisco food subsidiary.

It will also pay dividends for the first time since it was acquired in a \$25bn leveraged buyout by the Wall Street investment house Kohlberg Kravis Roberts (KKR) in 1989.

But the group is to back out of an agreement to buy a 20 per cent stake in Borden, the US food group, which is the target of a \$2bn bid from KKR. It said it had been unable to reach agreement on accounting and other issues, but would not give further details.

of Nahisco stock, priced at between \$23 and \$26 and carrying dividends of 55 cents a year. This will raise between \$1bn and \$1.2bn.

RJR said it will use the net proceeds to pay down bank debt. The self-off will value the whole of Nabisco, the biggest US biscuit maker, which also owns Planters nuts, LifeSavers confectionery and Fleischmann's margarine, at between \$5.4bn and \$6.2bn.

RJR said any eventual break-up would not be considered for at least two years. Ownership of more than 80 per cent of Nabisco is meanwhile required as a con-

The flotation, clearing the way for dition for a tax-free spin-off. However, demerger, will involve 45 million shares KKR said it was "completely committed" to the Borden bid, despite RJR's decision, and was happy for Borden to continue being run by its existing management. Borden has been among the least

..Page 20

successful of the big US food companies in recent years, and some management input from the more highly regarded Nabisco had been envisaged as part of

KKR proposes to pay for the Borden purchase with RJR shares. This will

dominant shareholder, to just over 17 per cent. Wall Street analysis said RJR's refusal to get involved with Borden could be a show of independence.

An earlier demerger attempt by RJR, valuing Nabisco at \$6.7bn, collapsed last summer because it failed to protect Nabisco sufficiently from the risk of littga-

tion over tobacco.
In contrast to that plan, which left the tobacco company with title to Nabisco's assets, the new version makes Nabisco wholly independent.

Though RJR's announcement was wel-comed on Wall Street, the stock fell \$% to \$6%. Analysts attributed this to news that a state court judge in Florida had given the go-ahead to a class action against cigarette makers by all smokers who were addicted to nicotine and had become ill as a result.

Philip Morris, the biggest US tobacco company, said it was confident the judge's decision would be overturned on appeal, saying it was "contrary to fed-

ral and Florida law". Fitch Investors Service, the US debt rating agency, said it was lowering the rating on RJR's \$8.4bn senior debt. This was because RJR's resumption of dividend payments, together with a higher tax charge, would, Fitch estimated, reduce its cash flow by some 38 per cent.

Decision averts damaging political row over Europe

Brittan to stay on as UK commissioner in Brussels of budget figures

By Emma Tucker in Brussek

Sir Leon Brittan averted another damaging political row over Europe yesterday by announcing his intention to stay on as the UK's senior commissioner in

At a meeting of European Union foreign ministers in Luxembourg, Sir Leon said he was "disappointed" he had lost responsibility for relations with east and central Europe. But he said his diminished portfolio responsibility for multilateral trade and relations with developed countries - was an "important" challenge.

He pledged to remain in Brussels to argue for a Europe that was "open, free-trading, and noninterventionisi, and for a Britain that is at the heart of that

Europe". Coincidentally, Sir Leon was attending a meeting between EU foreign ministers and their counterparts from six countries seeking membership of the Union -Hungary, Poland, the Czech Republic, Slovakia, Bulgaria and

Sir Leon was speaking two days after he narrowly lost a hatthe to retain responsibility for western Europe's former communist neighbours in the carve-up of Commission portfolios announced by Mr Jacques Santer, the incoming Commission

The task of organising the early admission of former communist countries to the Union a central plank of UK strategy towards the development of the EU - went to Mr Hans Van den Broek of the Netherlands.

Mr Douglas Hurd, the UK foreign secretary, said he was "extremely glad" that Sir Leon had chosen to stay in the Commission. He was clearly relieved that Mr John Major's government would not have to contemplate

dispertes over a successor. The portfolio Sir Leon has will continue to be essential and it is



Sir Leon Brittan in pensive mood at yesterday's press conference in Luxembourg before he announced he would stay as trade commissioner. On the right is Klaus Kinkel, president of the council of ministers Reute

important job should continue to realistic and sober approach to be in sound and strong hands in the Commission," Mr Hurd said. Yesterday's meeting was the

first in which eastern Europe was able to influence debate on EU policy, putting views on topics from justice and home affairs, to the environment, education and

Mr Laszlo Kovacs, the Hungarian foreign minister, said: "This was a very important meeting. For the first time we had the chance to have a certain influence on discussions. It helped EU ministers to understand our priorities and aspirations."

Mr Klaus Kinkel, the German foreign minister, reassured the east European ministers that progress towards full Union membership was not moving too therefore very good that this slowly. "What we require is a of the total budget.

bringing them into the EU," he said. "Economic aid at the end of the day can only help the countries to help themselves."

■ Brittan finds solace in past

achievement

Ministers discussed ideas for an accession strategy, in particular bringing east European laws into line with those in the west to allow the six to operate within the EU's single market.

EU ministers have asked Brussels for a white paper on measures east European countries must take to prepare their econo mies for EU membership.

Changes to the Phare aid programme, a main source of EU financial assistance to the former communist countries, were also discussed. The six countries want to see the limit on infrastructure spending lifted from 15 per cent

Bank of Italy queries accuracy

By Robert Graham in Rome

High interest rates could push the cost of servicing Italy's huge debt stock well beyond the figure envisaged in the 1995 budget, the Bank of Italy warned yester-

The warning, in the bank's quarterly economic bulletin, is the most authoritative statement so far to suggest budget calculations may be flawed.

It comes as the rightwing coalition government of Mr Silvio Berlusconi and the opposition are struggling to hammer out a parliamentary agreement on the

The budget is seeking to find L50,000bn (\$4.47bn) in fresh revenues and, through spending cuts. to hold down the deficit to L188,000bn - equivalent to 8 per cent of gross domestic

The report uses more cautious language than usual after recent tension between the bank and the government over the appointment of a new director-general at the bank. It suggests, however, that the budget may well have to

be toughened. The report also confirms the Italian economy. However, inflationary pressures should have been checked by the half percentage point rise in the discount per cent forecast), inflationary rate in mid-August.

The interest rate rise, interrupting a steady fall since late October 1992, undermined the budget calculations. The report

points out that short-dated government bonds are now 2.1 percentage points above the 8 per cent ceiling targeted for the yearend, and forecast to be sustained

throughout 1995. Similar considerations apply to

medium-term treasury paper.
According to the bank, a 1 per centage point increase in interest rates over the next 12 months implies an extra debt service cost of L6,000bn, rising to an additional L14,000bn in the third year. The budget forecasts debt service payments in 1995 at L176,250bn. "Only rigorous pursuit of the budget objectives -

Page 38 World stocks... Page 4

eventually toughened because of exceeding the ceilings placed on interest payments - can reduce the risks by altering the perceptions of the financial markets, the report comments.

The bank estimates that this year's inflation rate will be about 4 per cent against the 3.5 per cent target, making the 2.5 per cent objective for 1995 harder to

As domestic demand picks up, pushing GDP growth this year to at least 2 per cent (against the 1.6 pressures have begun to emerge. As a result, the bank reaffirmed its determination to keep tight control of monetary

German Cartel Office probes insurers' car rental pricing

By Judy Dempsey in Berlin

Germany's federal Cartel Office is investigating the country's leading insurance companies, which are alleged to have been running a price-fixing system for car rentals in order to reduce insurance payouts to their cli-

The price-fixing system is

claimed to have been set up last

December when six insurance

companies founded a car rentals company called Carpartner. In Germany, insurance policyholders expect to be able to hire immediately a temporary car at the insurer's expense after an accident

The Cartel Office suspects that the system was established to reduce car rental costs that insurers believed were excessive.

"The idea was that if you had a car accident, you would apply to your insurance company for a replacement car." claimed Mr Jürgent Kiecker, the spokesman for the Cartel Office.

In this case, Mr Kiecker said, "the insurance companies agreed on the car rental prices among each other, subsidised the rent and generally insisted that the client should rent only from Carpartner".

The Cartel Office admits the arrangement would have had the effect of reducing the cost of car rentals while the customer's car was off the road: "But that is not the issue. The issue is price-fixing and that is what we are investigating." None of the insurers was availrequests for higher-cost substitute cars from other rental agencies. Over time, more than 60 insurance companies are said to have joined the schome in an effort to reduce their pay-outs. The Cartel Office started inves tigating Carpartner last Tuesday.

provided documents to the authorities. He would not say what sparked the investigation, but the Cartel Office has become more aggressive in probing price-fixing allegations in recent months.

and the company has voluntarily

Germany's rental car replace ment market is one of the biggest in Europe. Unlike in Britain, where the majority of cars are rented on an individual private basis, in Germany about 50 per cent of all rented cars are

	1	
vzedo	1	
Median de passe		N. Y.
LE PETIT-FILS DE IA-U. CHOPAR	L.U.C. FABRIQUE	D'HORLOGERIE SOIGNEE
The timeless lines of mach	anical perfection . Our	r tradition since 1860

The timeless lines of mechanical perfection - Our tradition since 1860

The classic "tonneau" form with automatic movement, power reserve indicator, date, small second hand (Style no. 16/2248). The refined extra-thin model with automatic movement, power reserve up to 100 hours, with date and small second hand (Style no. 16/1223). In 18K vellow gold, rose gold or platinum. Available at leading watch-specialists worldwide. For information: Chopard Genève, Tel. 022/782 17 17, Fax 022/782 38 59 - London: Chopard Boutique, 14 New Bond Street, Tel. 071/409 3140

able for comment yesterday. replacement vehicles. Some insurers refused clients' ٤. ١ 34,35 ... 42 ... 33 39,42

LONDON - PARIS - FRANKFURT - NEW YORK - TOKYO

		CONTENTS		
Europeen News	Latters 18 Management 14 Chiseves 19 Technology 13 Bushess Law 18	Companien UK30,31 Ind. Cap Mits25	FT Advanes	Recent Issues42 Share Information34,35 Tradfored Options42 London SE33 Was Street39,42 Bourses39,42 Serveys Greater AllantaSect. N AustraliaSect. N

Mavrodi's millions pay dividends with voters

Mr Sergei Mavrodi, the multimillionaire charged with tax evasion whose MMM pyramid seliing company crashed in the summer, has been elected to the Russian parliament, according to early figures last night. He was backed by Mr Vladimir Zhirinovsky's ultra-nationalist Liberal Democrats (LDP).

It was the first important by election for a state duma (lower house) seat since last December's poll produced a surge of support for the not make a single appearance in his Mytishci constituency, an industrial suburb of Moscow. However, members of his staff had worked the area for weeks before, promising that their boss would spend \$10m of his own money improving it.

Mr Mavrodi, released from jail three weeks ago in accordance with the law on elections granting immunity to candidates and deputies, had told the electors on the eve of the poll that "your only solution is to elect me because then I will be immune from further arrest. I will

However, Mr Gennady Ponomaryov, the Moscow prosecutor, said last night that "the legal case against Mr Mayrodi would not be terminated automatically". Since the case - for tax evasion by his Invest Consulting firm - had begun before he stood as a deputy, it could continue without an appeal to the Duma to remove his immunity.

According to Mr Sergei Taranov. Mr Mavrodi's spokesman, the new deputy would bring together a group of members of parliament dedicated to "defend the interests of

otherwise,' says the head of the

the shareholders of Russia and defend them from the uncontrollable arbitrariness of government

The campaign had been remarkable both for the absence of Mr Mavrodi and the presence at the election rallies of black-clothed, swastikawearing paramilitaries who turned out to greet the candidate of the Russian National Unity (fascist) party, Mr Alexander Fyordorov, with Nazi salutes. However, neither Mr Fyodorov nor Mr Andrei Sidelnikov, representative of the rightwing Derzhava movement led by

former Vice-President Alexander Rutskoi, appeared to have scored

The early figures showed Mr Mayrodi capturing around 28 per cent of the vote, with Mr Alexander Zharov, an official of the local administration, taking around 15 per cent, and Mr Konstantin Borovoi, a prominent financier and leader of the Economic Freedom party, around 14 per cent. Mr Borovoi had been a particular target of Mr Fyodorov's supporters, who mocked him with anti-semitic insults at rallies. Though Mr Mayrodi has said he

does not intend to ally himself to any faction in the Duma, his camdgn was partly run by the LDP. In return, the party can expect to gain access not just to his fortune but to the famed skills of his company's television production studio. The latter made the series of advertisements promoting MMM which persuaded hundreds of thousands of Russians to buy its shares as they

climbed dizzily earlier this year.

Turnout at the election was around 30 per cent - comfortably above the 25 per cent threshold to make the vote a valid one.

Zeiss 'marriage' a unification story ending in tears

rialise. After unification, we

lost all our east European and

Russian outlets. Half our cur-

rent sales to the east - a quar-

ter of our total turnover - are

Judy Dempsey chronicles the troubled amalgamation of the east says Mr Jürgen Dömel, head of the workers' council at Carl Zeiss Jena, the renowed eastern German manufacturer of microscopes, telescopes and

We had the name. We had the freedom to enter the western markets. We were confi-

There is little, evidence of that confidence in Jena today as the management in Carl Zeiss Oberkochen in the nearby western German state of Baden-Württemberg prepares to cut 2,400 jobs from its 13,000 strong pay-roll in its west German operations and 600 of the 2,050 workforce in Jena, an old university town set deep in the eastern state of

The marriage between the eastern and western parts of Carl Zeiss was arranged by the Trenhand privatisation agency plary solution for saving Carl Zeiss Jens to account in late 1991. Hailed as an exem-Jena, is sought to combine both enterprises under one roof after 45 years of enforced separation.

and west arms of the German optical instruments manufacturer too 51 per cent of Carl Zeiss Jena, while the remaining 49 per cent was placed under Jen-

which specialises in high-tech laser and optical instruments and is managed by Mr Lothar ter of Baden-Württemberg, is 100 per cent owned by the government of Thuringia.

In addition, to save and modernise the entire Carl Zeiss complex, which before unification employed more than 27,000 workers, the Treuband allocated DM3.6bn (£1.47bn) of taxpavers' money to Jenoptik with the aim of guaranteeing 10,000 jobs and finding new markets. As for Carl Zeiss Jena, by the end of next year the Treuhand will have pumped in DM587m and kept

But, laments Mr Elk Littow. manager of Carl Zeiss Jena, We invested about DM117m on new buildings and produchas been spent on picking up

Despite introducing new production lines, Carl Zeiss Jena has been making annual losses of about DM140m on a turn-over of DM206m, while productivity is still only 40 per cent of

now financed by Hermes iGermany's export guarantee state 'I don't want to believe that this is a struggle between Wessis and Ossis. But it is hard to think

Oberkochen's. Recession hit domestic and export markets for the group products before its top heavy management had time to react. "Yes, we have over-employsays Mr Littow.

expected markets did not mate-

THE PRINCIPLES OF INFORMATION:

Jena workers' council

Mr Littow also concedes it had been difficult to integrate Carl Zeiss Jena with Oberkochen. "We are still making some of the same product lines although we have tried to phase them out Indeed, the duplication of

product lines is considered one

marriage. But these are linked to what happened to Carl Zeiss

of the main problems in this

In July 1945, American troops, which had advanced into Thuringia just before the Red Army, whisked away 127 scientists from Carl Zeiss Jena to the western zone, and with them, they helped re-establish Carl Zeiss at Oberkochen. The remainder of the world-renowned optics and glass enterprise, which had been founded in 1889 by Ernst Abbe and Otto Schott, was brought under state control once the east German communists consolidated their grip over eastern Germany in 1949. The real struggle for the Carl Zeiss name began

in earnest. For more than 45 years both Carl Zeiss' produced the same goods. As Oberkochen captured the western markets with its high-quality micro-

wards with similar products. "It was a struggle between east and west Germany to preserve the name and the products," says Mr Domel. "Over that time, the buyers at Carl Zeiss Oberkochen were taught to believe they were the real inheritors of Carl Zeiss Jena. Since unification, we in Jena have been trying to recapture our place on the international

markets through the marriage with Oberkochen." he adds. Yet Mr Dömel believes Ober kochen does not want Carl Zeiss Jena to exist. "We are supposed to be able to market our goods through their distribution network. But we sell more products through our own outlets than through Oberkochen. It's a psychological problem for their marketing people who now have to think about marketing the Jena products. I don't want to believe that this is a struggle between Wessis (west Germans) and Ossis (east Ger-

otherwise, especially since Oberkochen makes the decisions," he says. "Look, there was no attempt to integrate Jena and Oberkochen and streamline the prod-uct lines," says Mr Willy Theira member of

mans). But it is hard to think

Oberkochen's workers' council. "There was a duplication of product lines. We have been warning the management at Oberkochen for years to restructure. They reacted too late. Of course we fear about jobs going to the east. But we don't want to make this into an east-west struggle."

The group's profit and loss account tells just that story, however. Of operating losses of DM180m in 1993/94, DM140m is attributable to Jena.

And the east-west tensions have been heightened by the group's precarious situation. Workers protesting at the westuring programme last week waved banners proclaiming: "Aufhau Ost, Abbau West, Wir sagen nein" (Building in the We say no). Oberkochen, which last year had a turnover of DM2.5bn, is now making

DM40m losses. But since it owns 51 per cent of Carl Zeiss Jena, managers at Oberkochen believe they will have a freer hand to control losses at that plant in late 1995 when the Treuhand's investment and job guarantee contracts for

head of the physical technolo-gies department at the federal ministry for research and tech-nology in Bonn, believes the real problem facing Carl Zeiss is its price structure and growing competition, particularly from the south-Asian markets.

"Carl Zeiss is definitely under pressure from these markets. But anyone buying these top-class instruments have to find a balance between price and quality. Also, if Carl Zeiss wants to become more competitive, the management will have to respond more quickly. It is not yet flexible enough in this field," adds Mr

reuhand and Thuringian government officials agree. They say the difficulties in integrating the eastern and western operations is partly due to inflexible management as well as the problems in marrying two companies which had developed two different marketing philosophies over the past 40 years. That, however, is of little comfort to the tax-

"I keep asking myself what happened to the DM587m of tax-payers money," says Mr Wilfried Rudolf, a spoke for the Thuringian government. But he declined to explain why the state did not earlier question the losses since it has an indirect owner ship interest in Carl Zeiss Jena through Jenoptik.
"The big deciding question is

why the management [at Oberkochen] took so long in finding a concept, says Mr Spath. Dr Jobst Herrmann, chairman of the Carl Zeiss board, may nartly have answered fears about the quality of group management by resigning last week, though he is staying on in the job until a replacement

is found. Over the next few days, unions and management from Oberkochen and Jena will meet to decide if the restructmented. But the governments of Baden-Württemberg, Hesse (which has a Carl Zeiss subsidiary) and Thuringia, are reluctant to accept more unemploy ment and may extend financial aid to both plants.

"At the end of the day, Carl Zeiss, and its name, belongs in Jena," says Mr Dömel. "Jena's future depends on Carl Zeiss remaining here. Full Stop". "I wonder if this marriage will even survive," says Mr Their-acker. "It will," says Mr Kramer. "But it will need time to

Meciar agrees to * form a cabinet

The former Slovak prime minister, Mr Vladimir Meciar, formally agreed yesterday to try to form a coalition government, a full month after the electoral victory of his Movement for a Democratic Slovakia (HZDS), Reuter reports from Bratislava.

Mr Meciar made the announcement in a letter to President Michal Kovac, who played a key role in his down-fall in a parliamentary no-confidence vote last March.

The letter is the latest twist in Slovakia's personality-dominated politics since the elec-tions of September 30 and October 1, when the HZDS took 35 per cent of the vote and 61 seats in the 150-member parlia-

Shortly after the vote. Mr Kovac appointed the HZDS to lead coalition talks, but pointedly ignored its leader. Mr



Vladimir Meciar: choice as PM despite president's hostility

Meciar, whose suitability as prime minister he questioned during campaigning. Mr Meciar rarely appeared as talks dragged on with little success, preferring to send representatives instead. At one point a senior HZDS member said Mr Kovac should resign for the sake of Slovak political However, last Friday the

. ترسيد سيد

.<u>ಎಪ್</u>ಟಿಯ ೯೭

#S.5 ...

走出 アン・・・

್ರಮ ಎರ್. -್

a de la companya de

EDMONO NATO

hergy prices

≆র রাজ্ঞা ১ বিশ

The Marian

 $F_{n,m}$, $F_{n,m}$

Personal Services THE TALL SE SECTION .

president finally requested that Mr Meciar provide him with a list of new cabinet members, although he set no deadline. Mr Kovac's aides said they had received the letter yesterday by express delivery, but that no HZDS representatives had yet visited the president. So far the HZDS has clinched support in forming a coalition only from its traditional ally, the extreme nationalist Slovak National party, which won

Mr Meciar's chances of forming a stable coalition depend largely on whether he can party grouping, Common Choice, led by reformed communists of Party of the Democratic Left (SDL).

Talks between the two have so far been inconclusive, leaving Mr Meciar in limbo and forecasting tough political times abead

"To get a majority in parliament we need six more votes...to seize the challenge to solve the crisis situation coming in 1995," Mr Meciar said in an interview published vesterday in the daily newspaper, Republika.

If you want to win, don't share your knowledge with your enemies.



Whatever activity your organisation is engaged in, there will always be a certain amount of information you'll need to keep secure. That's why many organisations entrust their data to Informix technology. And that's all we're prepared to tell you about it.



World leaders in database technology.

FOR THE BEST INFORMATION, RING (0181) 818 1081. INFORMIX SOFTWARE LIMITED, 6 NEW SQUARE, BEDFONT LAKES, FELTHAM, MIDDLESEX TW14 8HA,

A PRIME SITE FOR YOUR COMMERCIAL PROPERTY ADVERTISING

Advertise your property to approximately 1 million FT readers in 160 countries.

Call Emma Mullaly OR +44 71 873 3574 or Fax: +44 71 873 3098

THE FINANCIAL TIMES
Published by The Financial Times
(Europe) GmbH, Nibelungenplatz 3
60318 Frankfurt am Main, Germany by Hürriyet International), ISSN: 10174-7363. Responsible Editor: Richarlett, c/o The Financial Times ited, Number One Southwark Brancholde SEI 9HL, UK, Shareholde Editoried Times (Emarche)

D.C.M. Bell.
FRANCE: Publishing Director: D.
Good, 168 Rue de Rivoli, F-75044 Paris
Cedex 01, Telephone (01) 4297-0621,
Fax (01) 4297-0629, Printer: S.A. Nord
Eclair, 15/21 Rue de Caire, F-39100
Roubaix Cedex 1, Editor: Richard Lumbert, ISSN: ISSN 1148-2753. Commission
Paritaire No 67808D. DENMARE: Financial Times (Scandin-avia) Ltd, Vimmelskafted 42A. DK-1161 Copenhagen R. Telephone 33 13 44 41, Faz 33 93 \$3 35.

The Financial Times plans to publish a Survey on --

European Regional Financial Centres:

Manchester

on Thursday, November 24.

- The FT is circulated in 160 countries worldwide, with a tip in excess of one million people The weekday FT is read by 139,000 senior but
- national daily newspaper

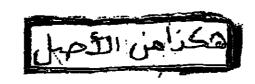
The FT reaches more Captains of Industry in Great Britain than any other pational daily newspaper.

Pat Looker or Brian Heron on

For a full editorial synopsis and details of available

e: Baenc 1993, EURS 1993, COt 1993

FT Surveys



EUROPEAN NEWS DIGEST

to

1

· wro

101 * ATA

 $\tau < \tau_0$

.'≥ 25 P.H

al day 30

2.29

_...

-13

10 70 2

- La 🦎

: ::

......

JE 572 3

2013

2.1.<u>57</u>

17" <u>(*</u>**

4-7000 to

27 27 4

ILO warning on Russian jobless

More than a third of Russia's industrial workforce is in "hidden unemployment" and many others are not being paid or have had their wages cut, according to a report published vesterday by the International Labour Organisation. Moreover, open unemployment in Russia - based on standard international definitions - is at least five times as high as the official figures, based on registrations of under 2 per cent, the report said.

Enterprises have cut jobs for the fourth year running from mid-1993 to mid-1994, by an average of more than 8 per cent. However, 35 per cent of those still "in work" had no job to do. These included those on involuntary short-time working and those - a fifth of all industrial workers - on long-term "administrative leave" receiving little or no wages. The existence of hidden unemployment was a rational response by managers who would otherwise have to pay wages or severance pay, said the report's author, Mr Guy Standing. Even so, nearly half the enterprises surveyed by the ILO were in wage arrears and more than 60 per cent had not paid wages in full. Mr Standing said official figures showing a rise in average real wages referred to contractual wages and not those actually paid.
"Across the board, many workers are taking home much less, if they are taking home anything," he said. Mr Standing called for enforceable labour contracts and a more comprehensive and generous social protection system to aid the process of enterprise restructuring and to cushion hardship. Frances Wil-

Yeltsin backs bank candidate

Mr Boris Yeltsin has proposed that Mrs Tatyana Paramonova presently acting governor of the Russian Central Bank, be confirmed in her post. He has sent his recommendation on her candidacy to the state duma for debate and ratification in the latter half of this month. Mrs Paramonova, the youngest member of the bank's senior management and the sole woman member, was named acting governor after the resignation of My Victor Gerashchenko from the governership last month following the dramatic fall in the rouble. An investigatory commission specially appointed by the government is due to report tomorrow on what caused the plunge in the Russian currency. John Lloyd, Moscow

Ukraine sends reform signals

Ukraiman President Leonid Kuchma yesterday consolidated his grip on economic policy by naming a radical reformer, Mr Viktor Pynzanek, as first deputy prime minister for economics. The appointment of Mr Pynzanek, who quit the same post in frustration last year when Mr Kuchma was prime minister, undercuts the conservative prime minister, Mr Vitaly Masol. Mr Masol, who was strongly criticised by Mr Kuchma yester-day for trying to obstruct last week's unification of the currency exchange rates, had said any appointment to that economics portfolio would weaken his own position. Mr Kuchma promised further austerity measures seon and progress toward a new constitution. He commented: "I'm ready to compromise on all issues except economic reform and executive power." He also urged parhament to ratify the Nuclear Non-Proliferation Treaty because, he said, economic help from both Russia and the west depended on it. Matthew Kaminski, Kiev

Polish minister thinks again

Poland's foreign minister, Mr Andrzej Olechowski, who resigned last week after being placed on a list of top government officials who also hold directorships, has suspended his resignation while the courts clarify if he was breaking the law. Asked in a newspaper interview what he would do if the courts decided against him or the issue was not clarified by the end of the year, he replied: "I will leave." The list of 68 senior officials was published last week by Mr Wlodzimierz Cimoszewicz, justice minister, who argued that they contra-Limoszewicz, justuse minusta, was a special from accepting government officials from accepting pay from other sources. Mr Olechowski, who was nominated by President Lech Walesa, has also denied that he will run against him in next year's presidential election. Christopher Bobinski, Warsaw

ECONOMIC WATCH

Energy prices hit Oslo's surplus

Norway's current account surplus for the first eight months of 1994 fell to NKr13.853bn (£1.3bn) from NKr16.757bn in the same 1995 period, according to the country's national statistics agency. The 17 per cent fall reflected a drop in the value of oil and gas exports, to NKr68.6bn from NKr70.1bn, as well as lower net exports of ships and oil platforms. Imports have also risen strongly on the back of the recovery in the Norwegian economy, which will grow by around 4 per cent this year. In August, the current account swing to a deficit of NKr570m compared with a July surplus of NKr1833bn. The turnaround was due to oilfield maintenance work which pushed down the value of Norway's August oil exports to NKr6.6bn from NKrR5bn in the same 1993 period. Christopher Brown-Humes

Wholesale sales in Germany in September dropped a real : per cant year on-year and fell a calendar and seasonally ad-insted real I nor cent from Approximately Assied real 1 per cent from Angust.

Greek industrial production rose 4.2 per cent year-on-year in

August after a 7.1 per cent rise in July. M Slovakia's industrial output in August rose by 5.8 per cent compared with the same period last year. Industrial production rose also by 5.8 per cent in August against July.

NEWS: EUROPE

Commissioner claims some credit for E Europe's advance towards bentry

Brittan finds solace in past achievement

By Emma Tucker in Brussels

It was with a certain savagery that Sir Leon Brittan, the UK's senior European commissloner, yesterday described the EU's progress to date in embracing former communist countries of east and central

Europe.

"We have taken a quantum leap towards bringing the countries of east and central Europe into the European Union and it is for me personally a cause of great satisfaction and pride that we have been able to do so," he said.

Two days after learning that the prize task of negotiating

Europe's enlargement to the east had been lopped off his Brussels portfolio, the smarting commissioner took the opportunity of an EU foreign ministers' meeting in Luxembourg - attended by ministers from six east European countries - to sum up the great strides taken since Berlin's wall was knocked down.

No one was left in any doubt whom to thank: "The reason why we were able to have a meeting of substance today was because of the work that has already taken place...a great deal has been done and the countries are now set formally on the path towards

membership of the EU." But in spite of his evident irritation and disappointment, Sir Leon held fire and did not announce a resignation. Evidently friends, supporters and most especially the British government - horrified at the

prospect of further domestic

turmoil over Europe - had

been to work on him. As Mr Douglas Hurd, UK foreign secretary, put it: "I am extremely glad that he has decided to stay on in the Commission.'

Sir Leon himself was putting on a brave face: "After the conclusion of the Uruguay Round of the Gatt negotiation, I

radicalised the rest even more.

While Mrs Markovic says she

supported peace all along, her

His recent moves have won

kudos from international

peace envoys and the lifting of

some UN sanctions, which give

While Mr Glisic wryly

expressed relief that the Bel-

grade book fair was free of

political influence, the award

signalled the extent to which

Mrs Markovic will become all

the greater writer," said Mr Cerovic, "in the end, perhaps,

the only writer whose books

are printed."

the Milosevics rule Serbia. "If everything gets worse

him a freer hand in Serbia.

gator of the war.

turned myself increasingly to the affairs of eastern and central Europe of the former Soviet Union, so I was naturally disappointed," he said.

"But I have received messages from governments asking me to stay on," he said. "The portfolio I have been offered does represent an important and major challenge...I am under no illusion about the magnitude of that

Mr Hurd and Sir Leon himself were not the only people praising the former conservative MP's two-year efforts as commissioner responsible for central and eastern Europe. Mr Klaus Kinkel, German foreign minister, said: "I have thanked Sir Leon for the excellent work done in producing a strategy paper which has in part prepared the way for accession."

There were diplomatic words, too, from the Polish foreign minister, Mr Andrezj Olechowski. "We were very pleased with the work done by Sir Leon. We think he was, and continues to be, convinced about the future membership of our country and has done a great deal of work and made

much contribution," he said. But as he tactfully put it, the east Europeans were not losing a friend as a result of Mr Jacques Santer's division of labour, they were merely gaining a new one. "We have no reason to think the new commissioner will not be as enthusiastic and able as the other."

Sir Leon is not a stranger to controversial, news-shattering resignations following his role in the Westland helicopter dispute of the Thatcher government. Yesterday he took unkindly to suggestions that he should have acted more decisively this time round. "Maybe you have always found it easy to make big personal decisions," he snapped at one journalist. "Not everybody is in that happy situation."

Milosevic's wife brings their enemies to book

than Mihajlo Markovic... The only thing that my professor may be right about is that he

should not wage polemics with his former students and he

especially should not get

angry if they are better than him."

ing nationalism, Mrs Markovic has founded Jul (Yugoslav

United Left), a shadowy organ-isation including her univer-

sity students and retired gen-

erals. Indeed, writes Mr Stojan

Cerovic, the respected Bel-

grade journalist, "the literary jury this time perhaps did not

want to reward only the skill

or the good taste of Mrs Mark-

ovic in picking her spouse, but

also her efforts in rallying the

has effectively marginalised

Mr Milosevic's political shift

With her husband abandon-

By Laura Silber in Belgrade

The annual Belgrade book fair last week awarded first EUROPEAN prize to a liter-PROFILE ary novice, Mrs Mira Markovic, better known

as the wife of President Slobodan Milosevic of Serbia. The award marks the rise of Mrs Markovic, who has become increasingly prominent in the Serbian political scene over the past few

months. Her band can be detected in Mr Milosevic's current moves towards peace with Croatia. She is behind Serbia's embargo against the Bosnian

Mrs Markovic had made public her aversion towards Mr Radovan Karadzic, the Bosnian Serb leader, a year before the Serbian president turned his back on his protégé.

The first lady of Serbia makes her views known by publishing her diaries in Duga, the most popular Ser-bian magazine. Her book, "Night and Day", is a compilation of these musings which have heralded the demise of many politicians – from Mr Karadzic to Mr Vojislav Seselj, the ultra-nationalist MP, who last week was sentenced to three months in prison.

While her diarles provide a stage for settling political scores with her husband's rivals - often erstwhile allies - they also ponder the beauty of crickets, summertime, and

ethnic tolerance. Her book, said one critic. "is polyphonic, a combination of

sensibility". After his Machiavellian turn-around three months ago, Mr Milosevic is poised to purge nationalists from the ranks of Serbia's ruling Socialists (SPS) - or at least get rid of those who had made the mistake of speaking too loudly in favour of the war in Bosnia. This was portended by Mrs Milosevic, who attacked Mr Mihajlo Markovic, the main Socialist ideologue.

"Mr Markovic betrayed her revolution by being too soft on the Serbs on the other side of the Drina," the river which marks Serbia's fronties with Bosnia, wrote the Belgrade journalist Mr Milivoje Glisic

In last month's column, Mrs Markovic warned Mr Markovic, her former professor, that she "has many comrades in the SPS, maybe many more



Mrs Mira Markovic (right) and her husband, Slobodan Milosevic, voting in Sygrade in the 1992 presidential election

In 1982 Frank Myers was redundant and flat broke. 12 years later he's bounced back as managing director of his own company which exports 'Flatcones' around the world.

There's a lot of folly in cones. The turnover is £3 million per annum and rising.

So how did he do it? Well, that "Eureka" moment came in 1985 when Frank turned to his wife and said: "Why do cones have to be round?" From then on he was on the road to success,

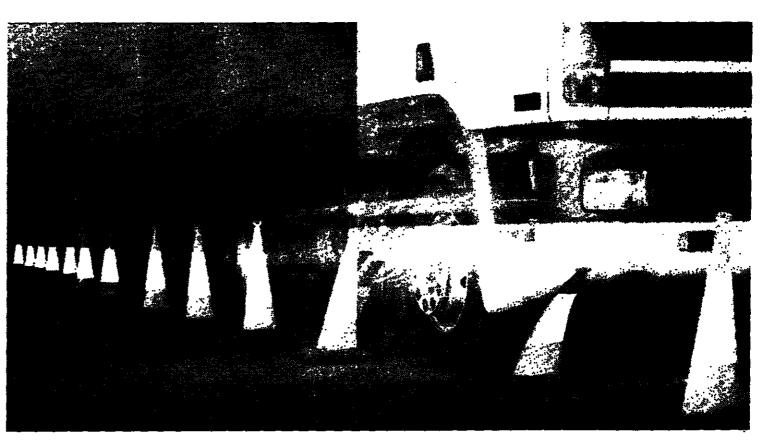
His research identified definite room for improvement. Traditional cones, he was surprised to discover, were responsible for up to 14% of motorway roadwork accidents. (Due to their tendency of getting trapped under vehicles whea knocked over).

The 'Flatcone' he eventually developed is much safer as it just folds when run over then simply springs back into position. He also found a way to produce them very economically by using recycled tyre rubber for the base.

But probably his best idea was using the Patent Office. Thus ensuring his 'Flatcone' idea was properly protected. He even registered 'Flatcone' as a trade mark.

The Patent Office provides protection for all aspects of 'Intellectual Property'-trade marks, patents and registered designs. So if someone tried to get away with stealing Mr Myers' idea it wouldn't stand up in court.

To be Frank, we suggest you write or freephone for more information.



even if your idea flops.)

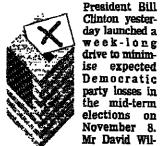
nes make suro you write to Ted Blake for ;	free information pack at The Patent Office, Room 1 LO2, Cardiff Road, Newport, Gwent, MP9 1RH. Call 0800 3184
ane)Title	Company

"Ilike to think of it asmy European

From the moment you enter its marble-and-gilt lobby, the Pierre calls to mind the quiet splendor the world's great hotels are acclaimed for. Our staff is poised to greet you, and serve you, in over 20 languages. At a moment's notice, our master chels can cater a last-minute partners' meeting in one of our luxurious suites, and our concierge can obtain "sold-out" opera tickets -often for the same evening. In fact, they will attend to your needs with such grace and warmth, you'll feel that Fifth Avenue and 61st Street is not merely our address, but your own. Telephone your travel counsellor or call us at 071-936-5019.



Clinton seeks to stem party losses



the mid-term elections on November 8. Mr David Wilhelm, the par-US MID-TERM ty's national ELECTIONS chairman, trav-November 8 elled with the president to Philadelphia and

proclaimed "the tide is turning." But he added that he was under no illusion how tough the elections would be.

Cuba is to open up more of its

recession-hit economy to for-

eign investment, including real

estate, services and sugar pro-

told a news conference in

Havana at the weekend that

the government was also pre-

paring a new foreign invest-

ment law that would give more

protection to overseas investors, who are already active in

Cuba in activities ranging from

oil exploration to citrus pro-

Cuba began opening up its

state-run economy to external

investment after 13.9 to offset the devastating impact of the

collapse of its preferential trade and aid ties with the for-

From now onwards, no pro-

ductive sixtor will be excluded

from investment by foreign capital." Mr Lage said. Up to

now, raw sugar production, traditionally the island's big-

gest export earner, had been

explicitly closed to foreign

investment. But the sugar

industry is in deep crisis and

mer Soviet bloc.

Vice-President Carlos Lage

duction.

from overseas

states on Mr Clinton's itinerary - Pennsylvania, Ohio and Michigan - polls found Democratic candidates falling behind Republican opponents in seats the party already

In Pennsylvania, a Pittsburgh Post-Gazette survey gave Congressman Rick Santorum, the Republican, a 46-35 point lead over Senator Harris Wofford. Though the poll had a small sample, with a margin of error of plus or minus 5 per cent, and was dismissed as unreliable by the senator's campaign, the two had previously appeared neck-and-neck.

As an indication of the importance Republicans attach to the state, Mr Santorum was DeWine with a double digit

regular weekly radio broadcast on Saturday. He charged that the Democrats had secret plans to raise taxes and said "it is time for you to tell Washington that you want to keep your hard-earned income."

In Michigan Mr Spence Abraham, the Republican, was given a 46-34 lead over Congressman Bob Carr. Another survey a week ago had given the Democrat a small lead, but the popularity of Covernor John Engler, the Republican certain of re-election, appears to be pulling Mr Abraham

All the recent Ohio surveys show Lt Governor Michael

father-in-law, Senator Howard Metzenbaum. Mr Hyatt has started to dig into his own considerable private resources to finance a last-minute drive but most experts consider it too little and too late.

But both Mr Hyatt and Congressman Carr are to campaign with Mr Clinton today, in contrast to the president's previous visit, when both shunned him. Mr Mark Singel, now apparently trailing as the Democratic candidate for governor in Pennsylvania, also appeared with the president yesterday having failed to show up last month at a Washington fundraiser on his behalf at which Mr Clinton was present.

Indeed, in the first three chosen to give the party's offilead over Mr Joel Hyatt, who is The president's upwards states on Mr Clinton's itiner-cial response to the president's bidding to succeed his move in the polls on the strength of foreign policy achievements may help his party, though by how much is unclear. Mr William Schneider. political analyst for the CNN-USA Today-Gallup national poll, said recently that every 2 point rise in the president's popularity was worth a seat in the House and every 8 points one in the Senate. By that logic, Mr Clinton has just

> In New York the Democrats were able to take heart from the latest large sample New York Times/WCBS-TV poil out yesterday which gave Governor Mario Cuomo a 44-34 point lead over Mr George Pataki.

saved four House seats and one

in the Senate.



Clinton: upward move in polls

Cuba opens up to Nicaragua limps back to life

more investment Edward Orlebar on the first expected growth year since the 1970s

Mr Lage also announced since the late 1970s, as a sem-blance of political stability gains a foothold. that, in deflance of a continuing US economic embargo

had visited the island in the first half of this year to discuss business prospects. In some cases, letters of intent for future contracts had been negotiated to take effect when the US embargo was finally lifted by Washington. Representatives of two Brit-

ish sugar companies. Tate & Lyle, and ED&F Man, have held talks this year with Cuban investment officials. Shortages of essential inputs previously supplied by the for-

mer Soviet Union, such as fuel, spare parts, fertilisers and herbicides, have crippled Cuba's sugar production since 1990. On Cuba's economy, Mr Lage

said it was still too early to talk of recovery. But he cited some positive signs, such as the growth of foreign investment, particularly in tourism and oil exploration, improvements in construction, cement and nickel production and progress in the government's efforts to stabilise the country's internal finances.

icaragua is expected to grow this year, a rare occurrence for an economy that has been in almost unremitting decline

against Cuba, representatives But the economic expansion of more than 69 US companies remains anaemic and there is little confidence that the economy has taken a decisive turn for the better. Growth is unlikely to exceed 1.5 per cent this year, less than population growth at around 3 per cent. Unemployment is 60 per cent. Relative peace, and measures aimed at developing a market economy after the defeat of the left-wing Sandinistas in 1990

> that the government has periodically promised. Mr Oscar Rene Vargas, an economist, points to a drop in income per head of 48 per cent in the last five years. "This is the 'Africanisation' of Nicaragua," he says. "We won't be able to return to the levels of

> have not, so far at least,

brought the economic benefits

1989 for 25 years." The country's foreign debt at \$11bn, more than eight times gross national product is still a heavy burden. The government secured in June an Enhanced Structural Adjustment Facility with the a year until 1997, and the possibility to renegotiate debt with Paris Club creditors. But about 80 per cent of liquid foreign loans go towards debt service. Meanwhile, Nicaragua is running a large trade deficit has negligible reserves, an agricultural sector suffering

from drought, and a virtually non-existent industrial sector. Even the machetes, the essential tool of any agricultural

labourer, are imported from El Salvador.

ment in April.

Congress has passed a military code which strengthens civilian authority over the armed forces and gives the president the right to dismiss the defence chief.

prices should push revenue above \$100m in 1995 and total exports to more than \$300m. Some foreign investment has begun to flow towards the the political climate. energy sector, tourism, and

gold mining. The national telephone company, Telcor, which has markedly improved its service, is expected to be privatised by the end of the year. The seafood industry grew by 60 per cent last year.

"We believe there are significant opportunities here," says Mr Eduardo Montealegre, gen-

"This is the "Africanisation" of Nicaragua. We won't be able to return to 1989 levels for 25 years

eral manager of Bancentro, one of nine private banks to open since 1991. "We have changed

But observers say there are some signs of encouragement. Although, many rural areas in the north are still plagued with banditry, the last group of organised rebels negotiated an agreement with the govern-

Higher international coffee

Bank - and in the financial sector, where the state banks are in desperate condition. Furthermore, though the country's political divisions are less marked than they appeared a couple of years ago, there is concern that presiden-

tial elections in November 1995

the direction of things and the

direction we are going in is the

see fundamental change

needed in other areas: in the

unreformed public sector - a

loan to cover this is being

negotiated with the World

Some analysts, however, still

right one," he says.

are already beginning to sour

A split has emerged among leading members of the Sandinista National Liberation Front between a modernising wing of the party and the authoritarian leadership of Mr Daniel Ortega – a probable presidential candidate – and other hardliners who have maintained left-wing rhetoric

One manifestation of this is a division within the party over a proposed constitutional reform intended to make the executive more accountable to the legislature. The reform would among other things prohibit the immediate re-election of the president, shorten the term from six to five years, and ban close relatives from stand-

ing for election. Observers say Mr Ortega wishes to negotiate a property law which would legalise Sandinista ownership of some properties confiscated during its administration in the 1980s. In return, they say, he would be willing to support the removal of the proposed bar on presidential relatives seeking re-election. This would allow the man described as Nicaragua's de facto prime minister, Mr Antonio Lacayo - the minister of the presidency and President Violeta Chamorro's son-in-law - to run for office

AMERICAN NEWS DIGEST

US personal income rises

US personal income rose in September for the eighth month in a row, the Commerce Department reported yesterday, but consumption spending, though still increasing, showed some signs of weakening. Personal income rose by 0.6 per cent in September from August to a seasonally adjusted annual rate of \$5,756.7bm as wage and salary income continued to advance. Disposable income, after deducting tax payments and some other non-tax payments, also rose by 0.6 per cent. Personal consumption expenditures, however, rose only 0.2 per cent in September after gaining 0.8 per cent in August. Spending on durable goods, which had surged in August, fell slightly as car purchases tailed off, while spending on services and non-durable goods continued to advance.

In a separate announcement the Purchasing Management Association of Chicago said its index of business activity rose to 64.3 per cent in October from 63.8 per cent the previous month. The association said its index of prices paid by businesses rose to 72.5 per cent from 72.1 per cent in September. George Graham, Washington

Professor ahead in Bogotá poll

A flamboyant philosophy professor appears to have wrestled the mayoralty of Colombia's capital Bogotá from the ruling Liberal party in the biggest upset in Sunday's municipal and provincial elections. Partial results showed Mr Antanas Mockus, beating his Liberal opponent by a wide margin. Mr Mockus conducted an unconventional campaign, placing no paid advertising and erecting only four advertising hoardings in a city of nearly 7m people. He also cancelled all public appearances during the past week saying people were saturated with a land of the rated with elections.

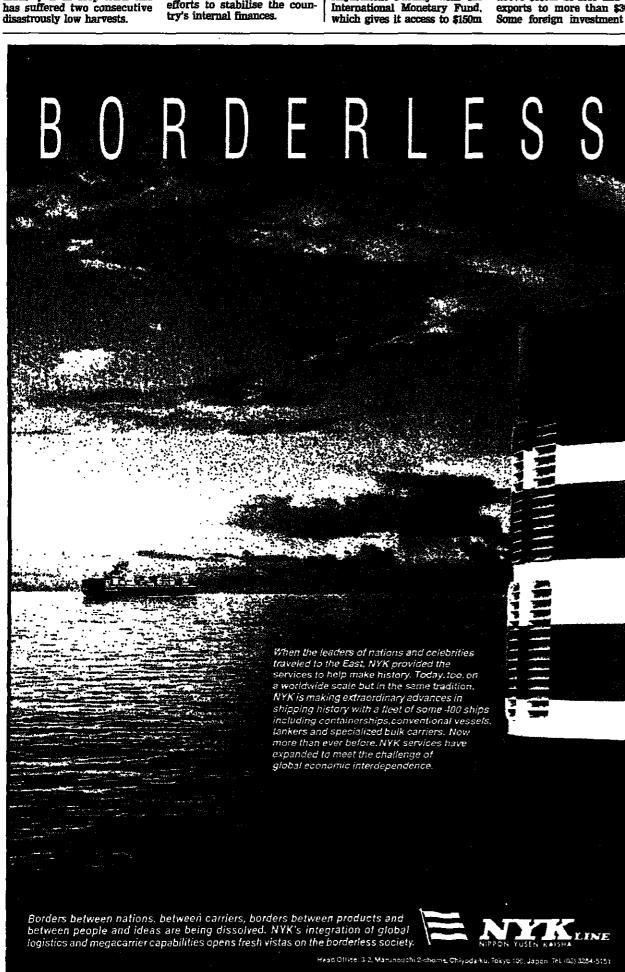
Early returns from the rest of Colombia showed the Liberal party holding on to power and remaining the dominant political force in this country of nearly 36m people. However, the traditional Liberal and Conservative parties lost a number of cities to candidates backed by civic fronts. Sarita Kendall and

Newport News Greek ship deal

Newport News Shipbuilding said yesterday it had become the first US shipyard since 1957 to win a foreign commercial ship order when it signed a contract with Eletson Corp. a Greek order when it signed a contact with Electary Corp., for two 46,000 ton tankers. The contract also includes an option for two more tankers, and follows the US Transportation Department's approval of a loan guarantee to Eletson. The first of the two vessels, which can carry up to 343,000 barrels of oil, is due to be delivered in 22 months. Newport News has been heavily dependent on naval shipbuilding orders, but Tenneco, its parent company, has been seeking to diversify into commercial shipbuilding. George Graham

Athlete loses \$27m damages bid

US Olympic athlete Butch Reynolds yesterday lost his bid for \$27m in damages from the International Amateur Athletics Federation for barring him from competition after he failed a controversial test for the use of anabolic steroids. Mr Reynolds, who ran 400m in a world record 43.29 seconds in 1988 but was barred from the 1992 Olympics by the IAAF, was awarded the \$27m in damages by a federal judge two years ago. But an appeals court said in May that the US court did not have jurisdiction over the Monaco-based federation, and the US Supreme Court yesterday declined to review that decision. George Graham



Yearly data for retail sales volume and industrial production plus all data for the vacancy rate indicator are in index form with 1985-100. Quarterly and monthly data for retail sales and industrial production show the percentage change over the corresponding period in the previous year, and are positive unless otherwise stated. The unemployment rate is shown as a percentage of the total labour force. Figures for the composite leading indicator are end-period values. **E JAPAN B** GERMANY 100.0 106.5 113.8 122.6 132.5 141.6 144.6 139.9 96.9 105.8 115.1 122.0 124.7 121.7 119.0 118.2 113.1 119.7 124.5 126.8 119.0 113.6 194.8 189.2 194.3 2nd qtr.1994 3rd qtr.1994 68.5 68.9 70.7 66.7 72.9 74.3 73.5 76.4 74.1 76.6 74.9 73.4 120.8 122.3 123.3 123.6 123.5 123.8 124.3 124.3 124.6 124.9 125.5 -3.5 -4.7 -8.2 0.4 0.5 -7.8 2.5 -0.1 -3.3 -3.2 175.9 180.1 182.6 190.9 196.8 196.8 192.6 187.6 186.7 190.1 193.4 199.3 111.9 112.4 113.0 113.8 114.8 116.2 117.7 118.7 119.8 121.0 121.5 -6.0 -6.5 -2.5 -2.0 -3.2 -5.0 -1.9 -3.4 -0.2 98.6 111.8 99.5 97.0 97.7 110.7 99.5 103.8 105.1 98.6 106.9 TALY Party Witer Witers E FRANCE UNITED KINGDOM 100.0 106.8 112.1 107.9 116.9 114.4 111.0 116.9 114.2 100.0 101.1 103.1 107.3 111.3 112.9 113.2 113.2 109.9 100.0 107.0 117.2 135.3 160.6 163.2 128.2 103.5 90.0 102.3 109.1 108.7 114.3 113.9 107.4 108.6 106.6 109.7 100.0 104.1 106.8 114.2 118.7 118.0 115.4 115.4 112.9 9.6 10.4 10.9 10.9 10.3 9.8 9.8 100.0 105.3 110.7 117.8 120.1 121.1 119.6 120.5 124.6 100.0 102.4 106.5 111.6 114.0 113.7 109.2 109.0 111.3 10.3 10.4 10.5 10.0 9.4 8.9 9.4 10.4 11.7 1965 1986 1987 1988 1989 1990 1991 1992 1993 100.0 102.4 104.5 107.9 109.5 110.3 110.3 110.5 82.6 84.6 69.0 96.8 80.3 93.6 110.6 109.7 112.9 114.9 121.5 123.2 122.5 3.0 4.2 5.8 -0.5 1.4 -1.3 12.3 12.5 12.6 -0.3 -0.9 5.0 10.7 11.7 12.5 3.2 3.8 4.2 3.9 2.8 3.7 4.3 4.1 3.9 3.3 3.7 119.3 119.8 121.0 122.1 123.0 123.4 123.3 123.6 123.7 124.2 124.7 12.4 12.4 12.5 12.5 12.6 12.6 12.7 12.6 12.6 12.6

INTERNATIONAL ECONOMIC INDICATORS: PRODUCTION AND EMPLOYMENT

Appear in the Financial Times

on Tuesdays, Fridays and Saturdays. For further information or to advertise in this section please contact

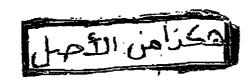
Karl Loynton on +44 71 873 4780 or Lesley Sumner on +44 71 873 3308

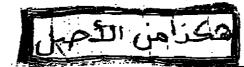
FINANCIAL TIMES

COMPREHENSIVE **INSURANCE FROM** Extra Safety = Lower Insurance

Exclusive Scheme for Volvos Tel: 071 385 9512 *or* 081 788 4567 *NOW!*

Hill House Hammond The Motor Insurance Specialists





A definition of highly available computing:

"The use of redundant components in conjunction with appropriate fail-over and restart mechanisms in both hardware and software to permit event notification of failure conditions coupled with application and/or database checkpointing and rollback/recover algorithms, thus establishing reasonable assurance within predicted norms that a combination of redundancies will allow a confidence factor to exist and that mean time to repair shall be a small enough variable in conjunction with simultaneous mean time between failure of the aforementioned redundant components that the overall system availability will be significantly above normal performance." ~ The competition

Common sense translation:

*Your computer system should be up and running 24 fears a day, 7 days a week, 365 days a year, se you don't have to be." ~ Data General

Let's get right to the point. All too often, corporate computing systems don't work the way you need them to work. And they usually cost more than you want to spend.

Data General can help. We've taken steps to restructure our own business to focus on computing in ways that will make the most sense for your business.

How? Unlike much of the competition, we don't waste time duplicating existing commodity technology. Instead, we create advanced systems that use the finest commodity technologies available. And we offer complete services to design, implement and support your total corporate computing solution from start to finish.

Why does this approach make sense?

It's more flexible. You're not locked into a proprietary way of doing things.

Your system can change and expand as you grow. It's more dependable. And every Data General AViiON* server and CLARiiON* data storage system has reliability and availability engineered into its basic design. So you're able to recover quickly from any problem. And you can expect information that's not only accurate, but also available.

It's also more capable. Data General
has set the mark for others to follow with
proven AVIION results by handling
large numbers of users, large numbers of
transactions, and managing very large
databases much more efficiently than
the competition. In other words, you
get higher performance at a better price.
And that makes sense. Especially when
you consider the fact that computers
are no longer just a part of your business.
They are your business.

To see what common sense can do for your business, fax us at (44)81-758-6433.

Or e.mail us at commonsense@dg.com
for a free copy of our guide to computing:

The Common Sense Connection."

♦ Data GeneralBringing Common Sense to Computing

Japan and US struggle to seal glass pact

Others 1.0%

By Michiyo Nakamoto in Tokyo

Japanese and US trade negotiators yesterday extended their talks for a third day in a bid to reach agreement on means of improving foreign access to Japan's market for glass products.

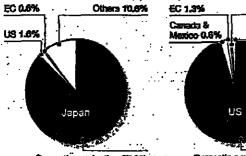
The talks were continuing nearly one month after the two sides indicated they had reached an agreement in principle on opening the market.

Failure to produce an agreement last week kept negotiators working in Tokyo over the weekend and into a third day as yesterday's deadline

Lack of an agreement by the deadline could prompt the US into taking unilateral trade action, possibly sanctions, against Japan's flat glass mar-

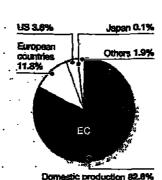
Mr Hideaki Kumano, viceminister for international trade and industry, said yesterday Japan's flat glass imports

Domestic consumption basis, 1991



that Japan hoped to settle the glass talks by the deadline. "I hope both parties will wrap up talks even if discussion is extended into the small hours of Tuesday," he said. The talks are a remnant of

ment at the end of last month. At the time, the issue of Japan's flat glass market, together with that involving the country's market for vehicles and vehicle parts, were postponed when Japan the bilateral framework negotiand the US announced they ations under which Japan and had reached agreement in four of the five priority sectors tar-



geted under the framework negotiations.

An agreement on the glass market had been reached "in principle," the Japanese government said at the time, and details were to be worked out within 30 days. Mr Steve Farrar, director of

international business for cent share of the Japanese

Guardian Industries Corp, a US market, compared with more glass maker, said most differ-than 25 per cent in Europe and ences had been resolved. As with other US-Japan disputes, stalemate has emerged over US efforts to pin down spec ific criteria to measure prog-

than 25 per cent in Europe and

Latin America, the US says.

Under these circumstances, the

US would like to see more pro-

curement of US-made glass for

facilities owned by the govern-

ment in addition to greater

The Japanese side has

claimed that its market, with

imports amounting to 12 per

cent, compares favourably to

that in the US, where imports

are a meagre 5 per cent and in

Europe, where foreign-made

The Japanese government

flat glass accounts for 17 per

has been reluctant to interfere

in what it considers a matter

for the private sector. The

basic stance of the government

is that if US companies want a

larger share of the Japanese market they should raise their

prime minister, and Mr Jim

Bolger, his New Zealand coun-

terpart, is supposedly cordial. Nevertheless, Sir Frank Holmes, professor emeritus

with the Institute of Policy

Studies in Wellington, thinks

the last Australian election,

when the Liberal party endorsed much of New Zea-

land's hard-nosed economic

cent of the market.

market access in the private

"We want to avoid having a situation where importers sector. could buy token amounts and never become serious customers," he said. "We want to be sure that what is being measured is substantial business relationships."

The US claims that Japan's flat glass market, which is the second largest in the world at \$4.5bn a year, is closed to foreign suppliers. This is because of the domi-

nance of three large domestic

producers which have very tightly controlled distribution arrangements with the industry's wholesalers. US makers have only a 1 per

WORLD TRADE NEWS DIGEST

Nations queue to join WTO

Three countries have formally applied to join the World Trade Organisation, even though it has yet to come into existence. This is in addition to the 125 nations which took part in the Uruguay Round global trade negotiations. Slovenia, which became the 124th member of the General Agreement on Tariffs and Trade at the weekend, has already opened negotiations to join the WTO, which is due to start work on January 1 next

year. Gatt will be absorbed by the new organisation. Croatia, which applied for Gatt membership last year, now says it wants to join the WTO directly. And Sudan last week became the first country not to apply for Gatt membership at all, but to aim straight for WTO entry. WTO membership requires applicants to sign up to fair trade rules covering not only goods, as Gatt does, but also services and intellectual property. In addition, members must submit schedules of market opening commitments for goods and services agreed after bilateral negotiations with trading partners. Some 19 nations are continuing to negotiate Gatt accession, including China and Algeria which took part in the Uruguay Round. The assumption is that they will all apply to join the WTO in due course. China and Taiwan are already negotiating on services and intellectual property in readiness for WTO membership.

Among the others, the most advanced is Mongolia; where agreement on Gatt membership terms is close. A four-day meeting of the working party considering Mongolia's draft protocol of accession starts today. Ecuador has also begun tariff negotiations marking the final stage of the Gatt entry process. Frances Williams, Geneva

Apec confident on free trade

Mr Rusli Noor, executive director of the Asia-Pacific Economic Co-operation (Apec) secretariat, yesterday expressed confidence that the November 15 Apec summit in Indonesia would help accelerate plans to liberalise trade in the Asia-Pacific region, despite the reservations of some members. "There are certainly some sorts of concerns [on the free-trade plan] among the members of Apec," he said. Although it was not possible to assess the impact of such concerns on the summit, Apec's goals of trade liberalisation could eventually be real-

Apec groups Australia, the US, Canada, Mexico, Japan, China, Hong Kong, Taiwan, South Korea, Indonesia, Brunei, the Philippines, Malaysia, Singapore, Thailand, Papua New Guinea and New Zealand. Chile will become a full member in November. At the summit, in Bogor, Indonesia, leaders of the 18 economies will discuss ways to remove rules that hamper trade. China and Malaysia have said they will not accept a binding timetable for free trade, while a Japanese trade official has said that, although Tokyo basically supports freer trade, it is not ready to accept blindly all proposed liberalisation mea-

Coca-Cola tries for trade mark

Coca-Cola yesterday sought to register its bottle as a trade mark on the first day of applications under the UK Trade Marks Act 1994. The act allows three-dimensional shapes, sounds and smells to be protected as registered trademarks for the first time in the UK. Eight years ago, Coca-Cola failed in a test case under the old Act to register the shape of its bottle. Its new attempt is expected to be accepted.

In the first hour yesterday at the Patent Office in Newport. south Wales, 373 applications were made. They included the shape of the chocolate in a Toblerone bar, the red telephone and jingle used in advertisements for Direct Line, the British insurance company, and the smell of roses impregnated into Sumitomo tyres. In all, about 800 applications were made yesterday. Roland Adburgham, Wales and West Correspondent

September fell 3.7 per cent to \$9.25bn, while imports climbed 12.1 per cent to \$11.61bn. Germany was Taiwan's biggest trading partner. Laura Tyson, Taipei

siemens, the German electrical and electronics group, has

and oil fired power station at Bundang, near Seoul, in South

■ Spanish construction firm Dragados y Construcciones has

to supply 22 radars to the Austrian army. Reuter, Vienna

with S Korea to develop airliner

By John Burton in Secul

South Korean and China yesterday agreed to develop a 100-seat passenger aircraft by the end of the decade in the latest of several proposed Asian aerospace projects.

The \$1.5bn (£940m) Sino-Kor ean project is meant to meet growing demand for regional airliners in Asia. Taivan and Indonesia have already announced similar pro-

The aerospace agreement was signed during the first day of a visit by/Chinese premier Li Peng to Seoul, following a memorandum of understanding reached in June.

China and Korea will equally share between 70 per cent and 80 per cent in a joint venture to be formed next year. Westera partners providing engine and other advanced technology would be given a 20 per cent share while other Asian aviation companies, possibly from India and Indonesia, would be granted a 10 per cent stake.

Samsung Aerospace was recently selected to head the project's Korean consortium. which also includes Korean Air, Daewoo Heavy Industries and Halla Shipbuilding & Heavy Industries. Chinese participation is being led by Avia-

tion Industries of China. The joint venture is expected to select the aircraft type and foreign technical partners by

nation's main industrial goals

over the next decade. However, Korean aerospace companies and airlines have privately expressed scepticism about the project because of the availability of similar and cheaper western aircraft.

Korean officials argue that a domestic airliner is needed to reduce the country's dependence on imports of foreign aircraft and parts, which are expected to cost \$3bn a year by

The project's development target date of 1998 is also considered unrealistic by some analysts because of the lack of aerospace expertise, particularly in Korea.

China is expected to provide most of the basic aerospace technology, while Korea's contribution will be mainly financing and production technol-

But the Sino-Korean partners still disagree over which country will be responsible for final assembly of the aircraft. China is also understood to be interested in collaborating in a pro-posed project to develop a 70-100 seat regional aircraft with Japan in partnership with Boeing of the US.

Indonesia, Malaysia, Singapore, South Korea, Taiwan, China and Japan have all sought to expand their presence in the aerospace industry through increased collabora-The aircraft programme has ers as well as through their been promoted by the Korean own programmes.

China signs deal | Australia-NZ relations clouded

Terry Hall and Nikki Tait examine Sydney's freeze on 'open skies'

he decision by the Australian government last week to freeze moves towards "open skies" with New Zealand underlines the extent to which progress in the broader trade relationship between the two countries has

stalled. Precisely why the Australian authorities chose to deny Air New Zealand's right to fly domestic Australian routes from today, which it was not, in any case, planning to do immediately, is not clear. The official explanation is that the two countries have yet to set up the borderless visa and customs arrangements which were due to accompany "open skies" and to reach an agreed stance on airline ownership and control matters.

But this is not the whole story. One possibility is that the Australian government wants to protect Qantas, the country's flagship carrier, before floating its 75 per cent interest in the airline next

A second view is that the Australian authorities are more interested in achieving a further rationalisation of Australasian air services - perhaps via an alliance between Air New Zealand and Ansett, the Australian carrier that already flies domestically within New Zealand. This would extend the duopoly in the Australian market across the Tasman.

The stalling in the broader trade relationship between the two countries is in sharp contrast to the 1980s, when big steps were taken towards the creation of

Economic Relations" (CER) pact under which they pledged to create a Trans-Tasman freetrade zone for manufactured

CER was reviewed in 1988 and the date for free trade brought forward by five years to July 1990. At that stage, the two countries also agreed to free trade in services, except for certain exempted sectors such as aviation and telecommunications. They also promised to deepen the trade relationship through the harmonisation of business law and quarantine/customs procedures, and pledged to remove technical barriers to trade, such as product standards laws. Such was the Trans-Tasman enthusiasm, that there was even casual talk of establishing a common currency and stock exchange.

Since then, the tempo has slowed, leaving some impor-tant issues unaddressed. There has, for example, been no visible progress on key taxation matters - such as mutual recognition of franking credits to stop double taxation of dividends paid by Trans-Tasman companies - or on corporate/ business law. Action in some of the more sensitive service areas, such as media and telecoms, has also been lacking.

Tasman trade bloc. In 1983, the trast, New Zealand accounts ical. The relationship between two countries signed a "Closer for about 6 per cent of Austra-

Australia: trade with

New Zealand

1991/92 92/93 93/94 Source: Department of Foreign Affairs and Tracle

lia's exports. indeed, five years ago Aushead than Australians.

Explanations for the change in pace are various. First. while benefits of CER have accrued to both countries, New Zealand is widely thought to have been the greater beneficiary. Australia is New Zealand's biggest buyer of manufactured goods, taking about one unit of its exports. By con-

reform programme, soured Mr Keating's attitude towards Australia's neighbour. There is a feeling that Mr Keating would now like to widen the gap between the two. The atmosphere has not been helped by New Zealand's trumpeting of its recent economic performance. A third factor may be that both countries are looking towards the fast-growing Asian

tralia's Bureau of Industry Economics forecast that New Zealanders would get around eight times more benefit per On a longer-term view, 30 years ago, Australia exported

to its neighbour four times the amount that it imported. The balance has shifted dramatically in New Zealand's favour. in the year to June, Australian exports to New Zealand were A\$4bn (US\$2.9bn) and its imports were A\$3.2bn. That said, the rate of growth

in Australian exports to New Zealand (about 19 per cent) has outstripped import growth (15-16 per cent) over the past two years. Nevertheless, some New Zealanders suspect Canberra may have decided that the uneven benefits had gone far enough and that, in the case of the "open skies" policy, separate though it is from CER, it was time for redress.

Mr Paul Keating, Australia's in the wrong direction.

markets for further export growth. This tends to diminish the significance of the Trans-Tasman relationship - although CER has been promoted as a model for the region and there are joint efforts to link CER to Afta, the free trade agreement between the Association of South-East Asian Nations. At the same time. New Zealand and Australia are competing to sell themselves as English-speaking

gateways into the region. In New Zealand there is some disquiet. There is talk of a new lobby group to give CER a new push. Mr Ted Woodford, the former New Zealand high commissioner in Canberra, said recently that CER had lost its momentum and that it was important for moves to be made at a political level to A second factor is more polit-reinforce its good features. The aviation dispute seems a step

Taiwan's trade deficit jumps

Taiwan's trade deficit with Europe rose to \$2.36bn (£1.49bn) during the first nine months of this year, compared to \$752m during the same period last year, sparking concern among the island's trade authorities. Exports to Europe from January to

Japan probes dumping charges

Japan is sending two missions to Pakistan to investigate dumping charges made by the Japanese textile industry against exports of Pakistani cotton yarn, a Ministry of International Trade and Industry official said yesterday. Miti and the Ministry of Finance will send one mission in November and another in December. Both missions will check the accounts of Pakistani factories to see whether they are exporting cotton yarn to Japan at a lower price than that at which it sells domestically, the Miti official said. Japan plans to make a final decision on the case in February 1995. Reuter, Tokyo

Contracts and ventures

set up a joint venture in Zagreb with the Croatian industrial company Koncar Holding to make power transformers and components. Siemens will be the majority shareholder in the new company, Koncar Power Transformers, and will take a 1 per cent stake in Koncar Holding. Initially, the venture is expected to have sales of DM25m (\$16.5m) a year, mainly in Croatia and Slovenia. Andrew Baxter, London

 Asea Brown Boveri has received an order worth approximately \$150m to build a further 370MW combined-cycle gas Korea. The order was received from Kepco, the South Korean national electricity utility. The plant, which will begin operating in 1995 in single-cycle mode, will be equipped with three ABB type-GT11N gas turbine generating sets and a steam turbo set. Reuter, Seoul

A \$100m contract to upgrade and expand a chemical pulp mill at Mönsteras in southern Sweden has been awarded to Norway's Kvaerner group by Sweden's Södra Cell. The contract comes at a time of rapiding increasing pulp prices and rising demand for environmentally friendly totally chlorine free (TCF) pulp. The Norwegian company will supply a continuous digester, a TCF bleach plant and a boiler for the recovery of chemicals and energy. The moves will lift TCF pulp capacity at Monsteras by 200,000 tonnes a year to 535,000 tonnes by mid-1996. Christopher Brown-Humes, Stockholm

won a Pta35bn (\$278m) contract to expand the Saratov refinery in central Russia. The work to be done over four years, follows two basic engineering contracts. Chemical Bank, the Russian American Investment Bank and Spain's Banco Central Hispano are financing the project. Reuter, Modrid ■ Thomson-CSF has won a contract worth Schl.2bn (\$113m)

The Financial Times plans to publish a Survey on Greece

on Wednesday, November 16.

It will be seen by leading international business people in 160 countries worldwide. If you would like to promote your organisation to this important audience please contact:

> Alec Kitroeff in Athens tel: (1) 671 38 15, fax: (1) 647 93 72 or Kirsty Saunders in London tel: (071) 873 4823, fax: (071) 873 3934

> > FT Surveys

Financial Centres:

The Financial Times

plans to publish a Survey on

European Regional

Manchester

on Monday, December 12

- rship in excess of one million pe The weekday FT is read by 139,000 sen
- rie in Great Britain More UK basiness people
- national daily newspape More than half of Europe's top Chief Execut
- The FT reaches more Captains of Industry in Great Britain than any other national daily newspaper.

For a full editorial synopsis and details of available advertisement positions, please contact:

Pat Looker or Brian Heron on £ 061 834 9381 Fax: 061 832 9248 Merandra Bulkings chester M2 5LF

FT Surveys

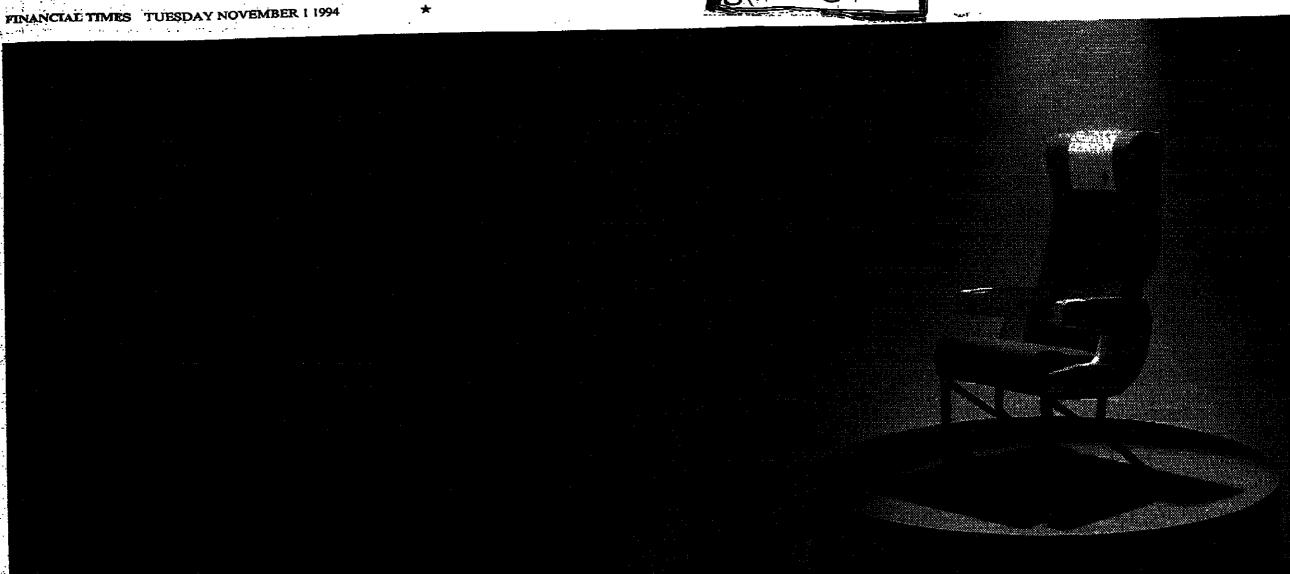
Our answer to Value Added Tax: value added tax advice.

Authorised by The Institute of Chartered Accountants in England and Wales to carry on investment business.

II ERNST& YOUNG

No one will work harder than us to reduce your company's indirect tax bill, Call Ernst & Young on 071 931 4134.

SAL



One pass saves frequent travellers a fortune.

Last year, British Midland successfully introduced Diamond EuroPass, an innovative money-saving season ticket for Europe.

Now we are pleased to announce a similar (and similarly unique) product that covers our major UK routes.

Our new Diamond Pass is available for flights between Heathrow and Glasgow, Edinburgh, Belfast, Leeds/Bradford and Teesside.

Priced at £699,* Diamond Pass is valid for 5 return trips over 3 months. So, as a frequent flyer, you'll get substantial savings of almost 40% compared to other airlines' business fares.

Diamond Pass holders can enjoy
Diamond Service, plus full ticket flexibility,
and Diamond Club membership, including
access to our exclusive lounges.

So, while you enjoy all these benefits, you can congratulate yourself on the savings you've made with Diamond Pass.

And on choosing an airline that for innovation, service and value, is second to none.

For more details contact your local travel agent or call 0345-554554.

British Midland

SECOND TO NONE

Diamond Pass

Heathrow to:

Belfast £381

Edinburgh £451

PASS SAVINGS

Glasgow £451 Leeds/Bradford £321 Teesside £361

1Compared to five return tickets at full Executive fares (excluding departure tax). All figures correct at time of going to press *From 1st November 1994 a supplement of £25.00 per book is payable to cover new UK Air Passenger Duty.

Pin-up will help re-shape Japan's politics

The nine main opposition parties are seeking a new name, writes William Dawkins

apanese politics has become for a merger with its eight opposition enlivened by Ms Fumie Hosokawa, a former pin-up whose curvaceous shape elicits the envy of half the electorate and the admiration of

Ms Hosokawa, unrelated to the former prime minister of that name, has been chosen by Japan's nine main opposition groups to join a panel to choose a name for the mega-party they plan to form next month.

They hope it will deliver the final blow to the conservative Liberal Democratic party's weakened monopoly on power. It may mark a step from the present arcane wranglings, which has left nearly 45 per cent of the electorate unable to support any political party, to a more coherent balance of power between two or three evenlymatched players.

Ms Hosokawa, a television personality who whimsically confesses she knows nothing of politics, is a walk-on player in the newest of the series of realignments that have over the past 18 months, opened cracks in Japan's power structure and let in

much fresh air in the process.

The starting signal for the latest realignment came on Sunday, when the party that triggered the present upheavals, an LDP breakway group called the Japan New party, dis-banded two-and-a-half years after its formation, in order to pave the way

ratings row

By Emiko Terazono in Tokyo A row in Japan over television

audience ratings is set to inten-sify with the launch today by

Nielsen Japan, the Japanese

arm of the US research group,

of an automated system which

Although Japan has the world's second largest televi-

sion advertising market, marketing techniques used by

advertising agencies and corpo-

rate advertisers are said to be

unsophisticated compared to

other developed markets, as

television ratings have been

Nielsen's move. They have

been frustrated by the lack of

market research and feel the

changes, which will give them

timely data on the age and gen-

der group of programme view-

Bates Japan, part of the Saat-

chi and Saatchi advertising

ers, are long overdue.

measures individual viewing.

worsens

The marriage of the nine is due to take place at what is billed to be a spectacular celebration on December 10 in Minato Murai 21, a futuristic complex around the world's most expensive building in Yokohama. The organisers no doubt hope it will symbolise the new party's trend-setting aspirations.

Ms Hosokawa and the other 15 members on the opposition's partynaming panel are due to announce the title of the new group, to an orchestral fanfare in Minato Murai 21, conducted by Mr Tsutomu Hata, former prime minister and karaoke supremo. The opposition nine formed a parliamentary voting bloc last month under the name of Kaikaku, or renovation. They have been provisionally named by the local media as Shin-Shinto, or New-New party.

Nobody has suggested a catchier alternative, though a Y200,000 (£1,273) mystery gift from the opposition and a tour of parliament awaits the winner of a public competition to find one. The razzmatazz surrounding the birth of the New-New party, or whatever it will be called, is a consequence of the sharper competition for power emerging ahead of a new electoral system and tougher controls on fund raising to take effect from January.

The old system, in which assiduously cultivated personal relationships are what counts, is being challenged by the vote-catching smile of Ms Hosokawa and the public image of her professional political colleagues. Ideologies on each side are about the same, so presentation is what

A new opposition would lead to a more coherent balance of power

matters. This is starting to look like a US election campaign, the Nihon Keizai Shimbun daily complains.

To accuse Japanese politics of becoming like the US may be looking a long way ahead. Yet it is true that the the present 13-party Babel that inhabits Japan's lower house of parliament is embarking on the final stage of the search for a more orderly balance of power. It might even, say supporters of reform, pave the way for an ideological debate about

Japan's future. All involved in Japan's political realignment know they must complete their regrouping soon. This is partly because the new system, which favours large parties, will take effect (barring the unexpected) in two months. To add to the urgency, Japan

faces local elections next April, followed by elections for half the upper house in July. A general election could come at any time, depending on the whim of the government and the New-New party's skill in wooing defectors from the ruling side.

So it is that the old and some new relationships on both sides of parliament have been melted fast by Ms Hosokawa's smile and by the political heat to come. Soka Gakkai, the influential Buddhist movement, announced last week that it will abandon its traditionally exclusive support for Komeito, the Clean Government party, which Soka Gakkai formed 30 years ago and is now a mainstay of

the opposition.
Mr Koshiro Ishida, Komeito's leader, even said he would support a former LDP man as candidate for leadership of the New-New party, so removing one of the main obstacles to agreement on a leader for the opposition nine. Main candidates include Mr Hata and Mr Toshiki Kaifu, another ex-prime minister. Both are former

LDP heavyweights. Existing alliances are similarly up for renegotiation among the three-party ruling alliance of LDP, Social Democratic party and New Harbinger party, former enemies who joined forces last June to oust Mr Hata's coalition government. The shared interests of the three government par-

the SDP's decision to dump most of its old foreign, defence and fiscal policies. Yet, gutted of its core ideologies, the SDP now looks ready to implode.

Mr Tomiichi Murayama, the first SDP prime minister in 47 years, admitted as much recently when he assented to plans by his party's majority right wing to form yet another new party. This would embrace like-minded politicians from government and opposition, of obvious interest as a potential ally for the new-new party.

Mr Ichiro Ozawa, power behind the scenes of the New-New party, is tentatively seeking to woo the SDP defectors to cross the floor of the house and rejoin him, just as the SDP did, to its regret, in the previous two coalition governments

According to Tokyo political gossip, Mr Sadao Yamahana, leader of the defectors from the right-wing of the socialists, might be offered the chance of becoming prime minister of a future New New party government, to help him make up his mind whose side to join.

The prospect of a new government under a prime minister from the same party as the old one might sound fanciful. Yet it illustrates the high-stakes bargaining now under way as Japan's fragmented political factions struggle

language newspaper was shot dead in broad daylight recently as he rode his motorcycle

along a busy Phnom Penh

street. Local journalists live in

The next day, a car belong-ing to a UN human rights cen-

tre employee was stolen at

year-old daughter was abducted and shot in the leg. The centre concluded that the

attack was more than a car

theft gone wrong. Other

human rights groups believe

the incident was in reprisal for

the centre's report on military

No one has been arrested for

either crime. "And no one will

be," says a huma'n rights

worker. "Because the problem is, they'll say who ordered them to do it." There are

rumours that those behind the

killings occupy untouchable

positions within the political or

The hands of police investi-gators might be tied, but the

forces of law and order also

have a pitiful reputation. The

police run protection rackets

too and some local residents

find they bave been mysteri-

ously burgled when they do

Cambodia is one of the poor

st countries in the world and

the rewards of violent crime

are considered worth the risks

- which are not so high given

that criminals can buy their

way out of a murder charge for less than \$3,000. The cost of

hiring a contract killer is much

As one Cambodian political

analyst puts it: "Today we

have democracy, a free press

and a free market, but people

now ask how free we really

are." The Cambodian people -

who for successive generations

have lived under god kings

military dictators, fanatical

Maoists and communists -

have been left to conclude that

liberty is anarchy.

are often trigger-happy too.

up. Drunken officer

military hierarchy.

abuses in Battambang.

INTERNATIONAL NEWS DIGEST

Kashmiris seize backpackers

10115

Bak

mur

tri:ll

A Kashmiri militant group holding three backpackers hostage has threatened to behead them if 10 of their own men are not freed from jail, the United News of India agency said. Earlier, a British Foreign Office spokesman said three Britons and an American had been captured. He named the three Britons as Paul Ridout of Dorset, Miles Croston of Buckinghamshire and Rhys Partridge of Suffolk. But hours after the kidnap claim was received, police said the American was found near New Delhi chained to an iron post, unharmed. Bela Joseph Nuss

told police he had been kidnapped 10 days before. Voice of America radio received letters containing the kidnap claim, accompanied by photographs of the hostages held at gunpoint. The group, calling itself Al Hadid, sald it was based in the tribal areas of Afghanistan. Officials said they had not previously heard of Al Hadid, but five of the men whose freedom was sought were from militant groups fighting in Kashmir. Reuter, New Delhi.

Singapore sees cabinet woe

Singapore's prime minister yesterday lamented the difficulty of luring talented people into government jobs. Mr Goh Chok Tong told parliament the country's government was in danger of slipping into mediocre hands that could imperil its economic success. "The task of cobbling together a good cabinet is getting more difficult as competent people prefer to work in the private sector for better salaries," he said, when presenting a plan for big salary rises for ministers and civil servants. "Unless we find several potential ministers soon, we will have a serious succession problem by 2000." AP, Singapore

HK video row hots up

Hong Kong broadcasting authorities showed their hand in an industry argument over how new video-on-demand technology should be regulated, saying it did not need to be covered by broadcasting laws. Wharf Cable, the territory's exclusive pay television licensee, argues video on demand is a public broad-cast and providers should be licensed under broadcasting laws. Mr Alex Arena, director general, telecommunications, said video-on-demand was considered a point-to-point service and not a public broadcast. "Our present thinking is that it is and not a public broadcast. Our present thinking is that it is not appropriate to apply broadcasting regulation to a point-to-point service specifically controlled by the customer," Mr Arena said. "The content of transmission should fall in the ambit of broadcasting regulation only if transmission is meant for general reception." Reuter, Hong Kong

Costliest jadeite necklace



The Mdivani jadeite necklace remained the costliest piece of jadeite jewellery ever sold at auction when it realised HK\$33m (£2.6m) at Christies Swire in Hong Kong yesterday. The 27 brilliant green beads are of exceptional size and purity, and are believed to have been cut from the finest gem ever found. Fashioned into

necklace by Cartier for Ms Barbara Hutton, the Woolworth heiress and valued by Cartier at \$500,000 in the 1930s, the necklace was sold from the estate of the Princess Nina Mdivani at Christies Geneva in 1988. Yesterday it was sold by a South-East Asian collector to Mr Sammy Chow of the Hong Kong jewellers Trio Pearls. Susan Moore, London

US-China arms talks progress

Talks between the US and China on arms control had helped to narrow differences, the US side said yesterday. Mr John Holum, director of the US Arms Control and Disarmament Agency, said he had invited vice-foreign minister Liu Huaqiu to Washington in the spring for more talks. One of the issues discussed in detail was reaching an early agreement on a comprehensive test ban treaty. He repeated US concern about China's testing, which included the second test blast in four months at the beginning of October. Other issues discussed included starting negotiations on a fissile material cut-off pact. an idea from President Bill Clinton that calls for all countries to cease production of plutonium or highly enriched uranium for weapons purposes. Reuter, Beijing

Australian budget deficit

Budget balance (AShn)

Australia posted a budget deficit of A\$4.511bn (£2.05bn) for the first three months of the fiscal year to June 30. 1995, against A\$2.962bn for the same period a year ago, Finance Minister Kim Beazley said. "The relatively high cumulative deficit to the September quarter of A\$4.511bn mainly reflects lower revenue collections, largely due to timing factors," Mr Beazley said. Spending for the year to date was A\$31.619bn, up 4.5 per cent from a year ago. The May budget forecast of a fullyear deficit of A\$11.7bn assumes full-year spending

¹≈(:..-.

HI PAGE

growth of 5.7 per cent. Three-month revenue to September was A\$27.108 bn, down 0.7 per cent, compared with 8.4 per cent budgeted growth. Reuter, Canberra

Japan building orders fall

Orders received by Japan's 50 main construction companies in September fell 7 per cent from a year earlier, the first drop in three months, the Construction Ministry said. Reuter, Tokyo

Solomons without a premier

The Solomon Islands was without a prime minister yesterday after Mr Francis Billy Hilly resigned 18 days after refusing to step down when sacked by the governor-general. It is unclear who will become the new prime minister. The former Prime Minister Solomon Mamaloni had been sworn in as a caretaker premier on October 25. But it was unclear if Mr Mamaloni's caretaker role remained valid.

Governor-General Moses Pitakaka was yet to make a state ment on Mr Hilly's resignation, and is now expected to call for nominations. Political analysts say Mr Hilly's stance against alleged exploitation of tropical forests by foreign logging companies had caused his loss of support. His resignation ended almost three weeks of political crisis, which at times meant the country had two prime ministers. Reuter, Honiara

Japan's TV | Criminal gun rules 'free' Cambodia

After 23 years of civil war nearly everyone is armed, writes Jonathan Miller

r Benoit Duchateau-Arminjon's La Casa Penh set up the Cambodian capital's first pizza delivery service in September. The trouble is, last orders have to be phoned in well before 8pm because even La Casa's pizzas are not worth dying for. Mr Duchateau-Arminion

says it is too dangerous for his staff to be out on their Hondas after eight. The pages of the Phnom Penh newspapers testify to the alarming murder rate in the capital. Just about every day people are shot dead just for their mopeds. Prince Norodom Ranariddh,

based on viewing households rather than individuals. the senior prime minister, has Nielsen's plan, announced in tired of what he sees as the August, has met strong opposinegative reporting of security tion from the country's large in his country. He frequently television networks and leadlectures journalists on compar ing advertising agencies. ative crime rates around the world. Violent crime in New which own shares in Video Research, a television ratings York, he asserted recently, was company which has held a 10,000 times worse than in virtual monopoly of the busi-Cambodia.

But such dubious statistics Some networks, including provide cold comfort to those Nippon Television Network, unfortunate enough to be are threatening to end existing caught in one of the capital's contracts with Nielsen which terrifying regular gun-battles. supplement Video Research's Last month an attempted data, unless the ratings group motorcycle robbery erupted correspondent's house in sub-Advertisers and foreign urban Phnom Penh. It was the third shooting incident in the advertising agencies, on the other hand, are supporting street in as many weeks.

For 15 minutes, bullets ricocheted off the road and gateposts. A waiting taxi was caught in the gunfire. Its windows were shot out and it was riddled with bullets. Local residents who did not join the fray threw themselves down on their floors. Amazingly no one

group, became the first advertising agency to subscribe to In modern Cambodia, gun the Nielsen service being law rules: nearly everyone owns one, and to prove it they offered from today. "We simply owe it to our clients to give all fire into the clouds during thunderstorms. After 23 years them the most accurate information available about their media investment," said Mr of civil war, it is a buyers' market when it comes to procuring Kim Walker, president of Bates weapons, ammunition and explosives. Anyone can buy a



A soldier guards a train at Kampot, southern Cambodia, as passengers get aboard through the windows. In rural areas the presence of government soldiers often provokes fear

Kalashnikov assault rifle and a John Holloway, the former clip of ammunition for \$50 on the black market.

The United Nations peacekeeping mission in Cambodia finished just over a year ago. It succes because the UN had supervised elections which installed a democratic government. But the UN failed to deliver on its mandate in one vital area: its peacekeepers did not demobilise the four factions, whose armies were still armed to the

The Khmer Rouge have returned to the battlefield and remain a threat to national security. But the Royal Cambodian Armed Forces – an amalgamation of the three other factions - are just as dangerous. Unpaid and undisciplined. they roam the countryside, terrorising villagers, extorting money, running protection rackets, robbing, looting and

Last month a report by Mr

Australian ambassador to Cambodia, was leaked to the press. In his assessment of the security situation he wrote: "Rural villagers are more : lorce: than they are of the Khmer Rouge." Few informed observers would disagree.

"Power belongs to those who have guns," says a human rights investigator in Phnom Penh. "The military are predators in this country: 60 to 70 per cent of abuses against the population are committed by the armed forces, but they are outside the law.

Earlier this year, a UN human rights report alleged that the powerful military intelligence bureau was involved in organised crime contract killing, torture and extrajudicial execution in the north-western province of Bat-tambang. Senior military officers were directly implicated. None of those named in that

receive western military aid if the allegation sticks. The many local and internacar thefts in the capital involve

len from one UN agency. It turned up in a villa owned by a colonel from military intelli-What is more worrying is that bundles of documented

clusion: that the lack of political will to stop such criminal activity reflects the government's fear that it will not

report was sacked. Human

rights groups say government

investigations have been noth-

ing but whitewash. Their con-

tional human rights groups operating in Cambodia say the army is out of control. Many of the reported motorcycle and men in military uniforms. Last month a Land Cruiser was sto-

circumstantial evidence point to the fact that the rise in violent crime is being used to camouflage politically motivated killings. The outspoken editor of a popular Khmer-

FT/LES ECHOS

The FT can help you reach additional business readers in France. Our link with the French business newspaper, Les Echos, gives you a unique recruitment advertising opportunity to capitalise on the FT's European readership and to further target the French business world. For information on rates and further

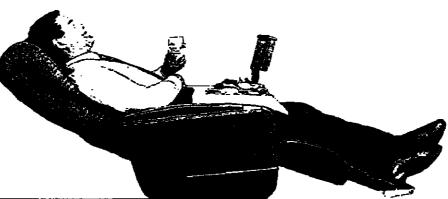
> details please telephone: Philip Wrigley on +44 71 873 3351

BY PLACING YOUR RECRUITMENT **TARGET** ADVERTISEMENT IN THE FINANCIAL Times you are reaching the world's THE BEST BUSINESS COMMUNITY. For information on advertising in this section please call: 071-873 3351 Philip Wrigley Andrew Skarzynski on 071-873 4054......Gareth Jones on 071-873 3779

TAKE PRECISE AIM

DON'T JUST

UPGRADE YOUR SEAT, UPGRADE YOUR AIRLINE.



FIRST CLASS COMFORT FOR A BUSINESS CLASS FARE.

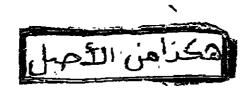
Airline	Business Class Sleeper Seat	Business Class Pitch
American	NO	40"
Air France	NO	38"
British Airways	NO	40"
CONTINENTAL	YES	55*
Delta	NO	41"
Licharda	12:3	



Flights from London, Paris,

Frankfort and Madrid to New York, Houston and Denver

Continental Airlines



* to curb currency inflows

By Stefan Wagstyl In New Delhi

India has ordered companies raising funds on international capital markets to keep the money abroad until it is needed for specific projects, in a move designed to curb a huge foreign currency flow

into the country.
Groups will also be banned from issuing warrants, instruments which give investors the right to buy shares at a fixed price at a future date, to increase the authorities' control over Euro-issues.

The policy announced at the weekend comes after an unprecedented surge in India's foreign exchange reserves from about \$1bn (£617m) at the time of the 1991 balance of payments crisis to \$19bn. The inflow has been primarily caused by foreign fund managers investing funds in the Indian stock market and in the overseas stock and bond issues of Indian companies.

While the reserves, covering the cost of nine months' imports, have given India a valuable cushion against shocks in oil and other international markets, the rush of money into India has fuelled domestic inflation.

The annual rate of increases in wholesale prices has fallen from a high of about 11 per cent earlier this year to 9 per cent, but the finance ministry wants it below 7 per cent.

Indian companies, which raised \$1.4bn in the year to March from international equity offerings, have collected a further \$1.1bn in the first six months of the 1994-95 financial year. Applications for issues worth another \$5bn are waiting for government approval

A finance ministry official said the new rules would enable India to manage its balance of payments more easily. A senior official said the country was importing inflation through the sustained inflow of foreign exchange from Euromarket issues. In future a sudden rush of issues would no longer affect the foreign exchange accounts.

The ministry, which approves issues under guide-lines established in May, said companies would be required to submit quarterly audited statements on their Euroissues and the uses to which the funds were being put. This is to prevent money being diverted for unauthorised pur-

investment. As for the ban on warrants. officials said the restriction was being imposed because tight rules had recently been established on the domestic issue of warrants to prevent business families, which control many Indian companies, issuing warrants to themselves at low prices. The ban on overseas warrant issues would prevent companies circumventing the domestic rules, said the officials.

In a separate measure, the ministry relaxed a ban on financial institutions tapping the international markets, giving long-term development banks the right to make issues. India plans further to ease foreign currency dealing rules and cut more of the red tape that has deterred some foreign investors, Reuter reports from New Delhi. "We may introduce new products for dealers to manage their foreign exchange risk," Mr O.P. Sodhani, executive director of the Reserve Bank of India, said, mentioning cross-currency options as the broad area in which changes were desirable. India switched to market-based foreign exchange dealings in 1992 by making the rupee fully convertible on the trade account under a three-year-old economic reform programme. See capital markets

India aims Wary businessmen welcome Mideast progress

Casablanca talks offer good contacts, but doubts remain. Julian Ozanne and Francis Ghilès report

I nternational businessmen and bankers yesterday L lauded recent political and macro-economic changes in the Middle East but delivered a hard-headed assessment of further reforms needed to open economies and stimulate large flows of investment into the

While more than 1,000 businessmen have come to the Middle East and North Africa Economic Summit in Casablanca, most are likely to go away with a pile of business cards and the seeds of future investments rather than signed contracts. "We've made some good contacts here, though whether anything will actually tran-spire only time will tell," said Mr Abraham Glezeman, president of Inter-Power, a US company seeking to develop a power plant in the Gaza Strip. "But it exceeded my expectations.

For most businessmen at the Casablanca casbah, peace moves in the region are a necessary but not sufficient condition for greater investment and better integrated economies. They want further reforms. including speeding up stalled privatisation programmes, removing trade barriers among them the Arab economic boycott of Israel - abol-

murder

in Paris

By John Ridding in Paris

France and Iran.

be charged in absentia.

about a month.

Islamic fundamentalism.

in secular state schools.

versuasion failed.

trial starts

ishing excessive import restrictions and laws which restrict foreign equity holdings, reinforcing intellectual property rights, guaranteeing full repatriation of profits and dividends, granting better tax holidays and ensuring international mechanisms for the resolution of disputes.

Mr Tom Vaughan, a director of Unilever, said: "Most businesses have many places where they can invest their money and they are looking for a business environment of reasonable risks and good returns. It's still too early for specific deals but its very good to see Arab and Israeli delegations together talking about business, trade and economics."

Mr Sandy Allan, president of Coca-Cola Middle East, said his company had invested \$350m in the region in the past five years and was seeking further expansion: "There are problems but the potential for profitable businesses in the Middle East and North Africa is still excellent."

Some bankers said they were enthusiastic about the strengthening of emerging markets in the Middle East especially in Morocco, Jordan and Israel. Mr Daniel Smaller of Union Bank of Switzerland's emerging equity markets divi-



sion, said the conference "supports the view that these are exciting markets going through positive changes. For the first time the additional risk of geopolitical instability has been reduced, so price/ earnings rations are expanding, providing investors with opportunities to participate." However, Sir William Ryrie.

executive director of Barings. said that of a total \$62bn of

equity flows into emerging have capital of between \$3m markets last year, only \$200m and \$5m and brings together individual shareholders from went to the Middle East. "The peace process slightly North African countries, instiimproves our type of busi-ness." he said. "But the Middle tutions like the World Bank's International Finance Corpora-East is way behind the game." tion which has contributed \$300,000, and two European first merchant bank to be set commercial banks - Société up in North Airica has just Marseillaise de Crédit and Creditanstalt Finanziaria, the Italreceived approval from the central bank in Tunis. Internaian subsidiary of Austria's Crethe tourism sector are most likely to leave Casablanca with real deals in their pockets. Unfolding Middle East peace has increased public perceptions of regional stability. opened borders and unlocked the development of multi-destination packages. Delegates are expected to establish a regional tourism promotion and marketing body.

But potential investors in

Mr Basil Jardaneh, chairman of Royal Jordanian, Jordan's state-owned airline, said it was adding 20 flights next month.

Mr Peter Till, a vice-president of Marriott, said he was spending time at the conference consolidating a planned project in the Gaza Strip for a hotel with a private Palestinian company. He said Marriott was aggressively seeking opportunities in Israel and looking at other Middle East countries. "We are seeing increased stability and an improved business climate and we want to do more business." Some companies are con-

cerned about appeals by Israeli and Palestinian leaders for the private sector to alleviate poverty in Palestinian areas. "How do we square this with seeking good returns on investment?" asked Mr Peter Peterson, chair-

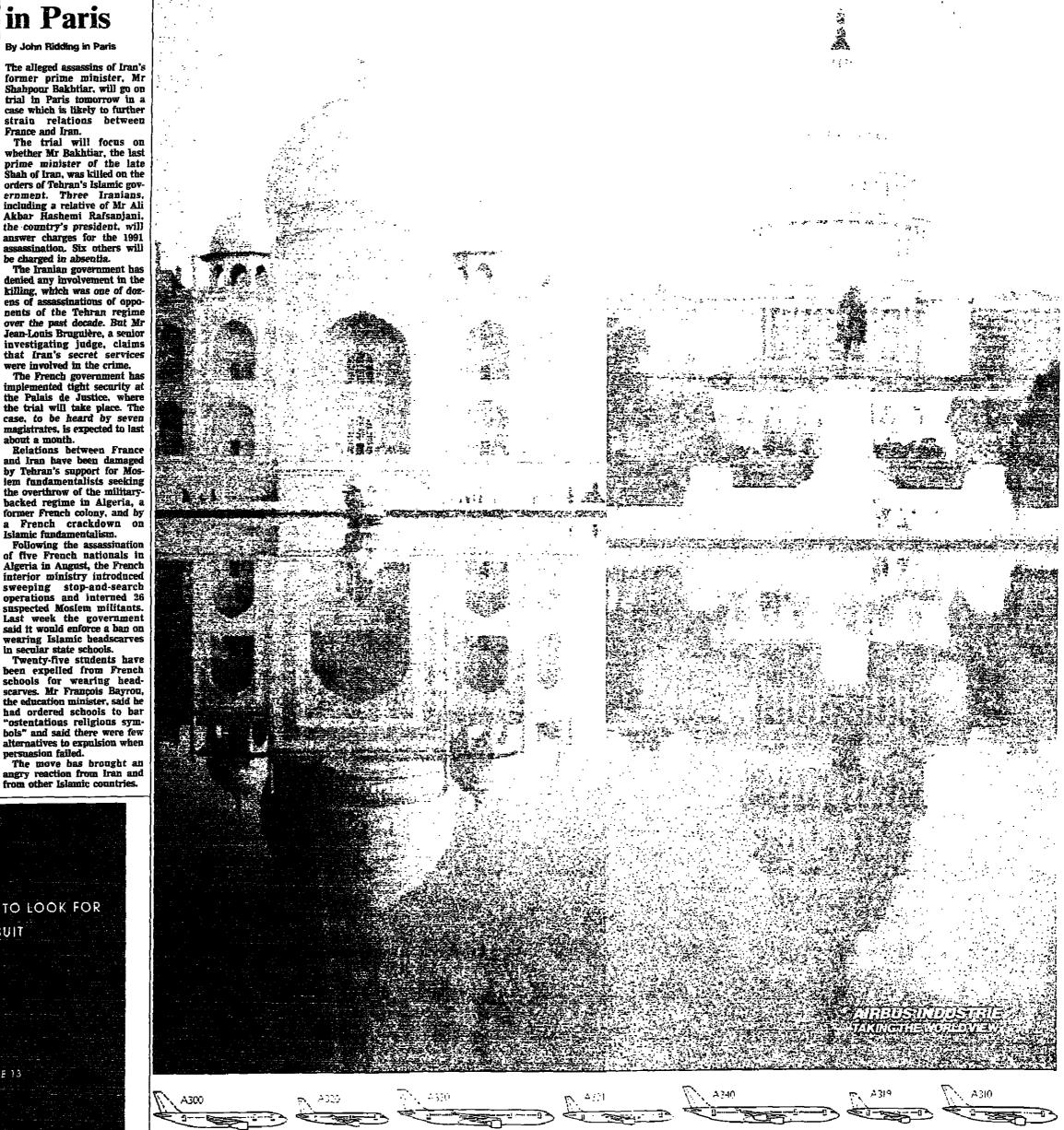
The extent of the difficulties ahead for the Middle East in attracting private capital was of Japanese companies. Mr Riki Kogure, head of Middle East division of Itochu, the large trading house, said only 1.2 per cent of total Japanese investment overseas went to the Middle East, largely due to a cultural gaps between Arabs and Japanese and the absence of high-level political links.

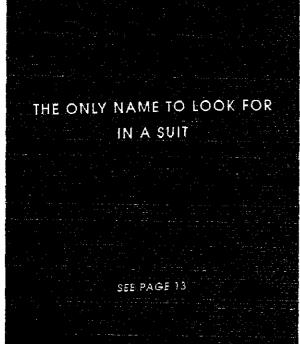
Japanese and other foreign companies will be critical to financing and executing the multi-billion dollar infrastruc-ture projects being put forward at the summit. Mr Anthony Pellegrini, manager of the World Bank infrastructure unit, said money from domestic budgets and concessional finance was "nowhere near sufficient to deal with the infrastructure needs of the region". Mr Eberhard von Koerber, president of Asea Brown

Boveri, the Swiss-Swedish engineering combine, said the region needed \$30bn over 10 years to meet basic power generation needs alone and warned: "If the regulatory environment does not allow capital to make adequate returns, then we have to be

The A340 has brought Delhi closer to Washington D.C. **Bakhtiar**

The A340 is the longest range aircraft in civil aviation history. It can fly a full complement of passengers, in true wide-body comfort, for over 16 hours non-stop. This opens up a whole new route network for the world's airlines. For example, the A340 can easily fly non-stop all the way from Frankfurt to Santiago. New York to Cape Town or Delhi to Washington C.C.





Pressure for compromise on Post Office sell-off

By Kevin Brown, Political Correspondent

Mr Kenneth Clarke, UK chancellor, is under pressure from senior ministers to accept compromise proposals for Post Office commercialisation within the public sector.

They hope to agree a plan in time for a bill to be included in the Queen's speech on November 16 setting out the government's legislative programme for the coming parliamentary session.

rises after

industry

shake-up

Deregulation of the UK milk market has already hit con-

sumers with an increase of 2p

(3c) per pint in some doorstep

deliveries yesterday and a similar rise today in some super-

markets, Alison Maitland

Tesco, the supermarket

group, announced that a pint of fresh milk would go up by

2p, or 7.7 per cent, to 28p because of the rise in the cost

of raw milk resulting from the

marketing arrangements which take effect today.

It said it would keep cheese

price increases to 5 per cent in spite of a 20 per cent rise in wholesale milk prices to cheese

British cheddar will rise

shortly by 10p a pound to £2.05 and butter by about 8p a pound

Tesco blamed the incression inflationary pression caused by the new marketing system, which replaces the

statutory Milk Marketing

Board with a voluntary produc-

ers' co-operative, Milk Marque.

argues that the new system

will lead to a shake-out of

excess capacity devoted to low-

value commodity products such as butter and skimmed

milk powder. This will create a

more efficient industry and

benefit consumers by reducing

Britain's reliance on high val-

ue added dairy imports, it says.

Lex. Page 20

The British government

makers.

in a few weeks.

is expected to meet tomorrow to decide how to give the Post Office greater freedom without risking defeat at the hands of backbench Conservative rebels opposed to privatisation

Ministers hope the cabinet will on Thursday be able to approve a partial sale. But a decision may be put off until Thursday next week if the committee fails to thrash out a compromise.

Mr John Major is understood to

The cabinet's industry committee have told ministers that, if necessex expected to meet tomorrow to sary, the Post Office bill could be held back from the Queen's speech and introduced later in the parlia-

mentary session. Mr Michael Heseltine, trade and industry secretary, remains committed to the sale of 51 per cent of the Post Office, which he believes would send a powerful signal of the government's continuing commitment to economic reform

But the government's business managers have warned ministers that privatisation would be opposed by up to eight Tory backbenchers, implying certain defeat for the bill unless some of the nine Ulster

Mr Heseltine will meet the rebels tonight in a final effort to persuade them that fears for the future of rural post offices and the universal pricing system have been overstated. The compromise proposals focus on the sale of a minority shareholding combined with freedom from

satisfying management demands for greater freedom to compete. Unionist MPs abstained. There is substantial support for a

compromise among senior ministers, many of whom doubt the wisdom of risking a parliamentary defeat in pursuit of privatisation. However, the option of commercial freedom within the public sector has been vigorously opposed by Mr Clarke on the grounds that state-owned compagovernment borrowing controls. nies cannot be excluded from the

By Robert Peston

Mr Mohamed Fayed yesterday renewed his onslaught on Mr

Jonathan Aitken, a junior min-

ister at the Treasury, by alleg-

ing that there were "discrepan-cies" in Mr Aitken's account of

the allegations by saying that the bill had been settled in full,

him at the Ritz, when Mr Ait-

ken checked out of the hotel.

ing error, Mr Aitken said. The balance was then settled by Mr

Ayas, to whose hotel bill the

However, Mr Fayed, who

Such a structure would keep the public sector borrowing require-Post Office in the public sector while ment.

Other compromises being discussed include a phased sale of a majority holding, which would give ministers time to convince backbenchers that privatisation need not threaten rural services.

Rebel backbenchers said they would vote for a minority sale. "My main concern is to keep the Royal Mail in the public sector," said Mr Stephen Day, Conservative MP for

Fayed attacks

minister again

EU backs £176m assistance tor region

Anew The sa

At Sauth we may be

Consciousité

Has Isnou-

The CLASS " LIC!

issa 3350

INNOVATIONS

VE A real time of

range A.M.

CONSTRACT.

By Ian Hamilton Fazey, Northern Correspondent

A £176m (\$278m) package of European Union and UK public and private sector spending on 780 projects to start reviving the flagging Merseyside economy will be announced by the British government today. More than 400 projects in the deprived region of north-west England were rejected.

The money opens a £1.6bn programme over six years, underpinned by £630m of EU grants under Objective One status. This entitles Merseyside to special help because its output per head is less than 75 per cent of the EU average.

The £176m - made up of £75m each from the European Commission and UK public sector and £26m from industry and commerce - will go to providing 25,000 training places, 3,900 new jobs and 341,000 sq ft of modern industrial space, as well as preparing 291 acres of land for development.

The EU grants are split 56 per cent-44 per cent between regional development and social funds, a marked shift from government proposals a earlier this year which would have used most of the money for social purposes, mainly training. The Commission thought not enough was being done to create ions. Projects include:

♠ A £43m programme to improve industrial estates and 23m for the port of Liverpool. • A grant of £1m will help fund an initial £2.78m campaign by a partnership of local authorities, universities, colleges, industry and commerce to improve Merseyside's poor national and international

● More than £4m will be spent on an area of Liverpool city centre blighted for more than 20 years by aborted property development schemes • Nearly £2.5m will improve

the A565 trunk road linking Liverpool, the docks at Bootle and the coastal commuter



Engineers from English Herttage and contractors John Mowlem Construction yesterday started work on the £14m restoration of the

IRA accused on road checkpoints

Sir Patrick Mayhew, the senior UK minister responsible for Northern Ireland, called yesterday for an urgent police report amid claims that armed and masked members of the Irish Republican Army mounted checkpoints on roads in the city of Londonderry over the weekend. Sir Patrick said he viewed the claims "extremely seriously"

He gave the firm impression that the results of the police investigation, and continuing IRA punishment attacks in nationalist areas of Northern Ireland, could have a bearing The stock exchange and the headquarters of the Lloyd's insurance market were among potential London targets for an IRA bombing campaign planned for earlier this year, a jury at the Central Criminal Court was told yesterday. Lists

on whether preliminary talks between UK government officials and the Sinn Féin party the political wing of the IRA start before Christmas.

Mr Feilin O'Hadhmaill, aged of military, political and eco-35, of Accrington, Lancashire. night that armed and masked men claiming to be from the IRA set up checkpoints and

stopped motorists. Mr Martin McGuinness, a There were several reports to police on Friday and Saturday of Sinn Féin, claimed that the

nomic targets were found writ-

ten on cigarette papers inside the wallet of a college lecturer,

a senior government law offi-

cer stated. A plea of not guilty

to plotting to cause an explo-sion was entered on behalf of

pranks". Police said they verified reports of masked men stopping motorists, but only one anonymous report that they were armed.

 EU foreign ministers vesterday approved a £12m rise for the International Fund for Ireland over the next three years, taking the total to £48m. The increase was proposed by EU Commission President Jacques Delors soon after the IRA ceasefire and nodded through by the ministers meeting in Luxembourg. Euro-MPs

costs of Mr Aitken's stay had been transferred. Mr Aitken said that once he realised that his wife had paid too little, he paid Mr Ayas what he owed him.

> owns the Ritz and is conducting a campaign to destabilise the government, yesterday attempted to pick holes in Mr Aitken's explanation in two

He said he had checked with the cashier at the Ritz and had been told that the "brunette lady" who settled Mr must now give their go-ahead. | Ayas's bill with a cheque for

This "brunette lady" also said to the cashier that she had been paying "other bills at the George V and the Interconti-nental". Mr Fayed continued: "Unless Mrs Aitken was also

Fr117,008 "was the same per-

son who paid the cash sum Mr

Aitken says was paid by his

how he settled his Fr8010.90 bill for a weekend at the Ritz Hotel in Paris. paying the other cheques to Mr Aitken last week faced the other hotels, the brunette allegations that he had allowed in question was working on Mr a businessman, Mr Said Ayas, to pay just under half the cost of his stay, without declaring Ayas' staff". Mr Michael Cole, speaking this alleged gift.
He then attempted to defuse

for Mr Fayed, said there were also peculiarities about the documentation Mr Aitken had produced as evidence that he had paid the balance to Mr Ayas.

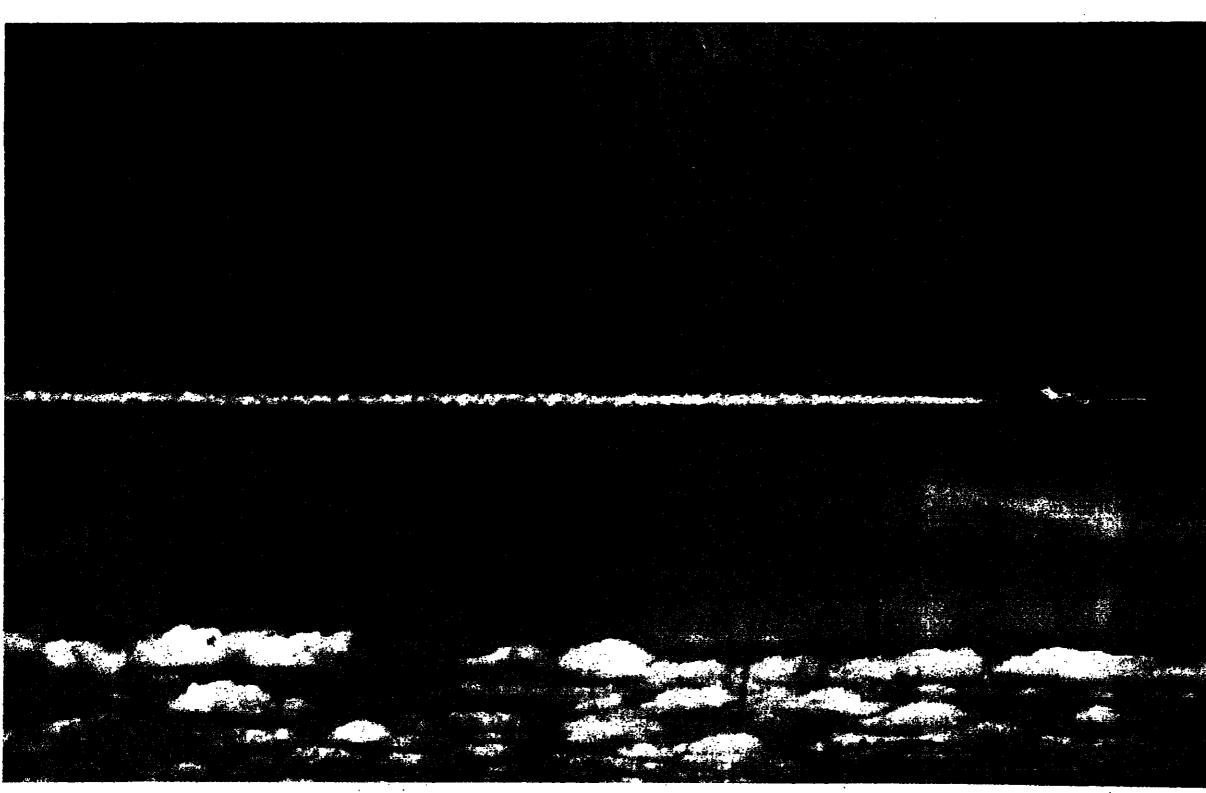
but in two stages. An initial payment of Fr4257,00 in cash had been made by his wife, who had not been staying with Last Friday, Mr Aitken reproduced copies of a cheque for £426.88, roughly the amount owed, which was made out to Mr Abdul Rahman, an associ-She had paid less than the full Fr8010.90 because of a billate of Mr Ayas. However the details on the

cheque did not appear to be a perfect match with details on Mr Rahman's bank statement, which was reproduced in the Daily Mail last Saturday. The statement of Mr Rah-

man's account at the Arab Bank (Switzerland) says that a cheque "du 31.3.94" was paid in to Mr Rahman's account. This seems to imply that the cheque was dated "31.3.94", though Mr Aitken's cheque is in fact dated "21.2.1994". The statement also appar-

ently says that the amount deposited was £426.80 - though the final "0" is unclear on the reproduction - compared with the £426.88 of the

towns of Crosby, Formby and Southport.

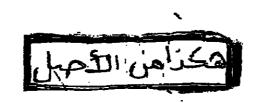


HOW AIG'S ABILITY TO CONTROL FINANCIAL RISKS PUT ONE AIRLINE ON A STRAIGHTER COURSE. An airtine's first-ever energy hedge in let fuel, using a series of fixed for floating-rate transactions. It's no blue-sky idea but how we recently helped a major U.S. carrier manage risk. Since the airline's international operations generate a multiple-currency revenue

stream, we also act as one of its primary foreign exchange partners. And we provide primary and excess property/casualty insurance for its buildings and aircraft, fidelity and international insurance coverages. Products and services for which more and more corporations are heading in AlG's direction. For the definitive response to risk.

World Leaders in insurance and financial services. American International Croup. Inc., Dept. A. 70 Pine Street, New York, NY 10270. For further information, please call Richard Harris in London at (071) 280-8943 or Patrick Choffel in Paris at (01) 49 02 41 44,





A new breed of engine. The same breed of Saab.

(Or proof that big can be beautiful, too.)

At Saab, we have a tradition of making powerful engines compact and efficient. That's why we've resisted the idea of simply increasing the size or amount of cylinders to add performance.

Consequently, the Saab view of the V6 engine has tended to be on the frosty side. But lately, there's been a perceptible thaw.

The reason is the development of a new kind of V6. The one you'll find in our new Saab 9000 CD saloon. This isn't an ordinary V6 engine. Any more than the 9000 CD is an ordinary car. It's the kind of car that's big in terms of space and performance and comfort but very modest in terms of weight and fuel consumption and engine emissions.

lt's big. But it's not stupid. At heart, it's still a Saab.

INNOVATIONS.

the Saab 9000 CD 3.0 V6 a number of technical innovations you don't normally see on a V6. A new three-step variable intake manifold that delivers consistent power throughout the rpm range. A Motronic engine management system that constantly monitors engine emissions. And TCS

(Traction Control System), a feature that significantly reduces wheelspin. They're the sort of features that do something useful without drawing attention to themselves. Very Saab.

BIGGER ON THE INSIDE.

We tried to design the body on equally generous but practical lines. We made sure it gives you plenty of room for heads and legs and feet and bottoms and luggage (the Saab 9000 is one of the few European saloons classed as a large car in America). Yet it doesn't force you to take up unnecessary road space. It's one of those cars that seems a lot bigger inside than outside.

LOW KEY.

It's the same with the fittings.

The 9000 CD is truly luxurious without banging on about it. You can have the

wood, the custom designed audio, the highly sophisticated alarm system, the natural glove leather. It even has reading lights in useful places. Yet it's all low key, unobtrusive, functional. It's not trying to make an impression. It's trying to make you feel comfortable.



THE PERFECT PARTNER.

In spite of its size, the new 3.0 V6 engine is true to the basic Saab values. It's compact. It's efficient. It's environmentally friendly. Yet it gives you the superbly comfortable ride and smooth power surge of a true V6. It's the perfect partner to our turbo, supplying a different kind of motoring to a different kind of driver.

FOR PERSONAL REASONS.

We know that everyone has their own reasons for choosing a Saab.

So if you're a V6 driver looking for some interesting twists on a familiar idea, consider taking a test drive. It might be interesting to experience this new breed of engine for yourself.

Introducing the new Saab 9000 CD 3.0 V6.

Banks criticise EU capital directive

By Norma Cohen. Investments Correspondent

Leading investment banks in the City of London fear that a European Union directive aimed at cushioning securities firms against shocks in the financial system will force them to hold more capital than their competitors in other countries.

They are asking the Treasury to interpret the Capital Adequacy Directive, which takes effect in January 1996. in a manner which will allow some firms to hold less capital than that required by Brussels.

These issues are particularly acute for London given the nature of the business here," said Mr Kit Farrow, direc-

tor-general of the London Investment Banking Association, whose members are the City's biggest firms. "It is in the UK where the trading activity is more developed. Even Continental banks tend to run their trading books out of London," he said. "It may not be very difficult for them to book the business elsewhere rather than in London."

London firms have been particularly critical of the CAD, which they claim reflects a political compromise between member states where securities industries vary greatly. It is understood to have been heavily influenced by the German universal banks which typically have much more capital than is required by regulators and which do not take large trading positions. "It's

like trying to devise a set of traffic laws for countries with high-performance sports cars and those which only use bicycles," said the finance director at one investment bank.

The CAD says that the "trading book" of an investment bank should be separated from the "banking book" with a more liberal regime applying to the former. However, current UK rules do not make any such distinction, but view the risk activities of investment hanks in their entirety.

In particular, the London Investment Banking Association is concerned about CAD rules which, unlike those now applied by UK securities regulators, do not lower the capital requirements for firms with diversified portfolios. Also,

the CAD does not reduce capital requirements for holding securities which offset each other's risks. The association will today receive a boost from publication of a Bank of England quarterly report highly critical of the CAD. The Bank (the central bank) will release its own interpretation of how the CAD will apply to securities activi-

ties of banks at the end of November. Mr Dale argues that "the idea of segregating one part of a bank's business - its securities trading operations and applying separate and distinct definitions of capital and capital adequacy to the different parts, appears to make little prudential sense."

Bonuses give strong boost to directors' pay

By Robert Taylor,

Britain's top company directors are continuing to enjoy earnings rises substantially higher than either the rate of inflation or the increases awarded to their employees, says a survey published today.

The number of UK companies where the chief executive earns more than £1m (\$1.58m) a year doubled from eight to 16 in the past 12 months, according to the study by Monks Partnership, the independent remuneration adviser.

It found that the highest-paid directors in the country's biggest industrial companies with annual turnovers of more than £400m - secured 9.0-per cent median earnings rises, three times the level of rises received by the employed workforce as a whole.

While the best-paid chief executives in the financial sector enjoyed total median earnings increases, worth 7.3 per cent, rises of 5.8 per cent were recorded for top directors in companies in industry and commerce, taking their remuneration from £130,000 to £137.000 a year.

The survey points out that the rate of increase in execu-

tor has slowed to its lowest for five years. More than a quarter of commercial and industrial best-paid directors received no rise at all - on the other hand the top quarter enjoyed total earnings improvements worth

at least 18.9 per cent. The growth in executive pay reflects an increase in bonus payments. In companies with annual turnovers of more than £400m these amounted to rises of 4.1 per cent. In enterprises with turnovers £30m and

£100m they were 1.1 per cent. Bonus payments make up an average 18 per cent of fixed pay and contribute just over 15 per cent to the earnings of the best-paid directors. In the finance sector they amount to 22.4 per cent of fixed pay. The survey reveals wide differences in executive earnings increases between industrial sectors.

The biggest earnings growth has been in the retail and distribution sector with a 9.1 per cent improvement in earnings (6.0 per cent in fixed pay plus 3.1 per cent from bonuses) followed by electrical engineering and electronics with 8.4 per cent and leisure and services

The smallest earnings rises were found in the building materials and construction. where too executives averaged tive pay in the industrial sec- only 2.7 per cent increases.

BT to cut personnel staff

Telecommuniting its 4,000strong personnel staff by cent, our Labour Editor heaviest cuts

will be in the areas of training and general administration. Some less specialist training functions will be contracted out to outside training providers, and line managers will take on far more personnel

Under the reorganisation, which the company has named Break-out, BT departments are required to test what they are

and assess whether it would be overall reduction in BT's better contracted out.

"We thought for a long time that we should be able to run at about half of our current size," said Mr Peter Archer, head of personnel at BT. "We then had extensive discussions with our internal customers about what they wanted from us and what they were pre-pared to pay for, and we have decided that a cut of between 40 and 50 per cent is about

appropriate. He said that specialist training would remain in-house but "generic" training such as welding or computer skills could be done more effectively by external trainers. The personnel function has

British contributing to the company played a leading role in the employee numbers from 230,000 in 1990 to 148,000 now. The company has said it will seek to avoid compulsory redundancies, and has so far

BT has said that it is keen to retain national rules on principal issues such as pay and redundancy procedures, but union officials say that there is a growing tension between the centre and the divisions. "There will be some tension but I think it is generally a healthy one," said Mr tion may have been too dominant in some areas."

Rover workers accept 10.7%

Workers at the Rover car company have voted narrowly to accept a pay deal that will give most of them a rise of 10.7 per cent over the next two years, union officials announced yesterday, our Labour Correspondent writes. The vote in a postal hallot was 11,993 to 11,102 for a package seen by many observers as over-generous and a dangerous pointer for pay claims elsewhere.

The unease reflected by the result seems likely to add to wage pressures at the UK factories of Nissan and Peugeot-Talbot, which are about to negotiate deals with their

Unions and management at the Jaguar car company, a Ford subsidiary, believe that a strike can be avoided even though a ballot is being held among workers who have rejected an offer of a 7.5 per cent pay rise over two years. Further talks will be held about the offer before the ballot result is declared

employees. "The closeness of the result reflects the complexity of the deal and the frustration among the workforce still undergoing major changes", said Mr Tony Woodley, national officer for the car

and General Workers' Union. An official at Rover, an offshoot of BMW of Germany. said the company "welcomed" the result.

The deal provides a 3.7 per cent general pay increase from next month and either a further 4 per cent in November lent to the rate of inflation, if that is higher. But most Rover workers will gain extra pay as a result of changes in grading. Unions have calculated that this will produce increases of about £5 (\$7.90) a week in the first year and a further £1.86 a week in the second.

UK NEWS DIGEST

Inflationary pressures gather pace

yesterday increased speculation that Mr Eddie George, governor of the Bank of England (the central bank), will argue tomorrow for an increase in base rates when he meets Mr Kenneth Clarke, the chancellor of the Exchequer. Expectations of a rate rise helped sterling climb against the dollar and the D-Mark, with the pound reaching its highest level on a trade-weighted basis since the end of Febru-

Two economic indicators published yesterday - the narrow measure of money supply (M0) and the purchasing managers' index appeared to point to an inflationary build-up. MO grew at 7.3 per cent in the 12 months to October, its fastest annual rate since January 1989, while a survey of purchasing managers found that 50.4 per cent said they paid higher prices for their manufacturing purchases in

Both measures have previously been cited by the Bank of England as cause for concern. When Mr George met Mr Clarke to discuss rates early in September, the governor cited the purchasing managers' survey as an argu-ment for increasing rates. The chancellor subsequently raised base rates from 5.25 per cent to 5.75 per cent.

The Bank's latest inflation report will be published today and will be scrutinised for further clues to the likely future path of interest rates. The governor has argued in recent speeches that the bond markets are overestimating the potential for a rise in inflation. "There are relatively few immediate signs that inflation is about to pick up strongly" he said

Hospital agreement

Health Care International, the private hospital near Glasgow in Scotland which last month encountered a financial crisis only three months after opening, yesterday announced agreements with two Middle Eastern governments on providing medical services. It has agreed terms for giving medical treatment in Scotland to employees of the Egyptian defence ministry and their dependants. It has also signed a contract with Lebanon's health ministry for treating Lebanese citizens. The contracts come as the company continues to talk with banks and investors on recapitalisation.

Drug tests for soldiers

All British soldiers will face random drug tests from the middle of next month in a drive against growing drug abuse in the army. The move would bring the British army into line with US forces. "Drug abuse is on the increase in society generally," said a defence ministry official. "As we recruit from society, it is inevitable that our concern should consequently

Cast in a

peborah Shapley

nethod of religionship

Mark Training Control of the Control

CONTRACTS & TENDE

NATIONAL BAN

OF GREECE

Name of Invitation of the

LEGAL NOTICES

strengt

Until now tests have been given only to people suspected of taking drugs. Drug abuse by a soldier could lead to a prison sentence and dismissal from the service. Officials said random testing would eventually be extended to the Royal Navy and Royal Air Force.

● Two men aged 25 and 26 appeared in court yesterday accused of attempting to murder two unarmed undercover policemen shot during a crack cocaine raid in Birmingham last week. They were also charged with carrying a firearm with intent to commit an offence. A third man aged 24 was accused of supplying crack cocaine and possessing herbal cannabis. The two policemen were still in hospital yes-

Curb on superstores

Further construction of out-of-town shopping centres and superstores should be restricted to protect the landscape, the House of Commons environment committee will recommend today. Its proposals will mark a further attack on large developments in the countryside which encourage greater use of cars.

They will follow last week's report by the Royal Commission on Environmental Pollution which recommended a doubling of petrol tax and halving of spending on new roads in a bid to avoid unacceptable levels of environmental damage. The environment committee will call for stronger curbs on out-of-town developments which damage the environment and take trade away from town centres.

It recommends that government planning guidance should be amended "to include a presumption that superstores are best located in or on the edge of town centres unless there are very strong indications to the contrary."
This would go further than government advice to town planning authorities in July.

Lecturers under stress

College lecturers are being driven to the verge of nervous breakdowns by stress and over-work, said the National Association of Teachers in Further and Higher Education, a trade union. "Overworked stressed-out staff cannot deliver the education students deserve and their future employers need," said Mr Derek Betts, the union's head of policy.

He was commenting on research by the National Foundation for Educational Research which pointed to mounting pressure, with nearly eight out of 10 lecturers feeling they were working under unacceptable stress levels. One in four lecturers surveyed said they had taken time off for stress-related illness Most blamed new styles of administration and excessive workloads.

Scottish exports rise

Manufactured exports from Scotland rose 19 per cent at current prices in the 1993-94 financial year to reach £11.5bn (\$18.2bn), accounting for 10.3 per cent of the UK's manufactured exports. Exports by Scotland's large electronics sector grew 41.5 per cent while whisky exports rose 7 per cent and exceeded £2bn for the first time. Scotland's single biggest export market was France, replacing Germany which held that position in the previous year.

LET US MAKE YOUR LIFE DULL AND PREDICTABLE.

Surprises are great. If it is your birthday. But if your firm is involved in business ventures with millions at stake, the last thing you want is a surprise, especially if it is fraud.

That is why hundreds of companies retain us to uncover hard to find facts about operational problems with employees, suppliers, customers and partners.

We can also provide you with domestic and international business intelligence on: acquisitions, joint ventures and strategic alliances, competitor activities, and new markets.

Our investigators and business researchers will provide this information confidentially, ethically and legally.

So, if you would like to prevent surprises, give us a ring.

In London

071 396 0000

In USA

1 800 824 7502



International Electrotechnical Commission

Switch on

IEC standards ensure gl®bal competitiveness and compatibility

It's good business strategy

For more information contact:

The General Secretary, International Electrotechnical Commission P.O. Box 131, 3, rue de Varembé, 1211 Geneva 20, Switzerland Telephone: +41 22 919 02 11 Telefax: +41 22 919 03 00 Telex: 41 41 21 iec ch



Commission Electrotechnique Internationale International Electrotechnical Commission Леждународная Электротехническая Комиссия

fter 30 years as a general practitioner in Britain's

National Health Service,

Michael Shapland is still

developing new skills. He has to respond to medical and pharmaceu-tical developments, to health ser-

vice reforms and, not least, to the

demands of patients in his Oxford

In Shapland's consulting room, a

box of patient notes is on the desk

next to the computer, ready for

afternoon surgery. His computer is a standard PC, but it supports a system called Horizon, which runs

Shapland still uses paper records but patients coming into his room are likely to find their records on

screen. These can be updated with

any information, such as about a smoking habit, that has changed since their last visit. Referrals or

other relevant details are also in the

Shapland's portable laptop com-

puter is a vital source of informa

tion on emergency visits. The data it holds on pharmaceuticals and

prescriptions alone forms a vast

database, including all the generic and proprietary drugs in the GP's

Unlike most software built for GPs, the "intelligence" built into

Horizon cross-references any drug to the individual patient, alerting the prescribing doctor (who may

not be the patient's usual physician) to allergies, side-effects, or reactions to other medication. The

ombination of warfarin with aspi-

The system also deals with dministration, including statistical

returns to the Family Health Ser-

vices Authority and repeat prescrip-

SOFTWARE

AT WORK

tions for the 4,500 patients cared for

at the Donnington Health Centre, where Shapland's practice is based.

Three practices share the centre,

along with its nurses and other clin-

Horizon's unusual dynamic facil-

ity means the the system can

"learn" from changes in a pattern.

For example, it can note the sudden popularity of a newly-prescribed drug, and add it to the list it pres-

ents as optional treatments for a

This artificial intelligence, known

as a neural network (because it

mimics the way the human brain

makes connections), makes the sys-

tem attractive to researchers and

hospital clinicians, who make up

the majority of Horizon's 100 or so

users worldwide. The system is available in several languages.

rin, for example, throws up an alarm: both drugs thin the blood, in

different ways.

ical resources.

particular condition.

practice.

the practice.

Cast in a new strength

Deborah Shapley looks at a method of reinforcing ceramics

lay has been fired into many different objects since ancient times. But even the loveliest Greek urns were of limited use because ceramics, although hard, chemically stable and heat resistant, lack toughness. Ancient urns did not corrode as they lay under the sea or buried on land, but they broke, so that archaeologists often find them as

Modern science has improved on the ancient clays, but in manufacturing, ceramics are still passed over for metals which are rarer and more costly but stronger. Aluminium does not oxidise, or

rust, under normal conditions. But it can be exidised into hard. irregular blobs when it becomes molten, under certain conditions in a furnace. In aluminium smelters these are sometimes found as coral-like growths along furnace walls. Furnaces have to be shut down while the blobs are drilled off. That is the rub: the oxidised aluminium is

transformed into a tough ceramic. In the 1970s, Marc Newkirk, a young engineer working in his father's furnace-making business in New England wondered if this natural growth could be directed to produce the ultra-strong

ceramics long sought by science. Newkirk created the Lanxide Corporation in 1983, Today it makes items for industries including electronics, steel processing, mining, semiconductors, sports and automotive. The group is capitalised at \$350m (£219m) and sales in fiscal 1994 were \$20m. Its partners include Alcan and Du Pont.

Lanxide's work, presented in Washington recently at a symposium* on materials, is one of the leading US advances in

Newkirk first directed the oxidised aluminium growth through ceramic fibres, making a ceramic version of fibreelass. He then tried to make blocks of cheaper reinforcing material such as silicon carbide, placing them next to the aluminium and heating both. He discovered that the hot aluminium oxidised into

and through the reinforcing material, filling all pores like a

When cooled, the block of silicon carbide had become a reinforced ceramic, with particles dispersed throughout strengthening it uniformly.

Coatings for the reinforced materials were discovered that stopped the oxidation process at the boundary. These processes opened the way for large-scale, cheap production of tough ceramic items in very precise shapes. By varying the reinforcing material and metal (titanium works, too). 'engineered ceramics" can be produced to pre-determined

weight and strength. The second important invention came from a failed experiment, when a Lanxide inventor heated aluminium next to a ceramic preform in an atmosphere of nitrogen instead of air. The metal failed to oxidise. Instead it shot quickly into the adjoining ceramic. This proved to be a remarkably simple way to make a ceramic-reinforced aluminium

Among many objects, Lanxide now casts avionics chassis for US military aircraft in a single piece, which are a third the weight of ordinary aluminium chassis – the reinforced material is actually heavier, but because it is stronger it can be crafted into much smaller components.

Lanxide spins off applications of its core processes into separate businesses with partners who bring resources and experience Alcan of Canada was Lanxide's first important partner, Alanx, makes pumps and ceramic 'chokes" that link pipes carrying slurry from mines, which the company says last eight times longer than standard ceramic pipe s. In Japan, Lanxide and Kanematsu formed Klanxide KK. as the focus of future business

there. "Talks are under way" with

possible European partners, adds

Seminar soonsored by the Okinaga Foundation and the National Association for Science, Technology and Society: Penn State University, State College, Pennsylvania, 16802.

Claire Gooding looks at a computer

system that helps doctors offer

patients a better service

Healthy records



In Switzerland, Horizon is used for reporting on epidemiological studies and for microbiological research. Kurt Eggenberger, a pae-diatrician in private practice in Yverdon, outside Lausanne, uses the system in his own clinic, and for research into viral and respiratory infections in children, working with research groups in Geneva. "Nothing else I have found can carry out such versatile clinical analysis, and report on disease occurrence in this way," he says. At their Oxford practice, Shap-

land and his partner David Thurston cover areas including Little-

moor and the Blackbird Leys estate,

where there have been big job cuts

hardship. The computer doesn't improve your gut feel after 30 years here, but it enables you to analyse it and produce real figures to prove your case," says Shapland.

Unemployment has caused some

in the car industry.

Thurston says Horizon has helped with his special interest in psychology. For example, an analysis of suicide rates showed him that of 65 intentional overdose cases, more than half were aged between 14 and 30. Nearly twice as many of them were female as male, about 15 per cent are unemployed, and a high percentage live on the Blackbird A seasonal pattern emerged: extremes of weather trigger an upturn in suicide attempts. Things that may not seem obvious become significant as you play with the data," says Thurston. "Once you have spotted a pattern, you can do something about it, like monitoring vulnerable nationts more carefully in July and January."

The system also enables the practice to verify its targets under National Health Service reforms. These include preventative measures, such as checks on people over 75 years old, immunisation for infants, and cervical smears. Targets are based on percentages: a 50 per cent reach for cervical smears earns less for the GP than the government's 70 per cent target. Scaled payments to GPs are based on per-

Shapland also runs clinics for asthmatics and diabetics. With a few keystrokes, he shows a list of asthma patients and a graphic breakdown, by age, showing the percentage of the 255 sufferers that are in the toddler to beenage range. It was this complexity and power, coupled with simple access, that impressed Shapland when he saw the Horizon system at a medical computer show in 1989. "I realised I wouldn't have to lose

my staff for endless weeks of training because this system tells them what to do as they are doing it."

Horizon replaced a Meditel system, in use since 1986. It operates on four linked - or networked - 286 PCs. The system sells on a "turn-

key" basis with hardware, software and support in a provided package by the Leicester-based developer Horizon Software. It costs the practice £3,000 a year on a lease basis, plus a £1,600 yearly maintenance

Linda Gardner, the practice man-ager, sees time-saving as the greatest advantage. "It's invaluable for the annual statistics we have to return every June," she says. "You could never plough through all the notes by hand, but we can analyse our patients' records from any angle, which is invaluable. Horizon users can access records

by patient name or names, or addresses, useful where a family has several surnames under one roof. There is a record of medication, whether the patient lives alone, and a notes section for any extra information. Drugs and diseases are coded for quick access and analysis, so that users rarely have

to type in complex names. For the sector as a whole, Shapland believes the NHS has taken a piecemeal approach to computerisation, slowing the move towards umbrella systems that would enable GPs and hospitals to exchange information via computers and telephone-linked networks. Not one UK hospital, in his opinion, has a really good all-embracing system in place.

Making a costs diagnosis

atients in the UK are getting used to seeing a computer on their doctor's desk. Eighty per cent of general practices in Britain have a computer to help

manage patient records. While some sorts of data have always been demanded by authorities - on the occurrence of certain diseases, for example additional requirements have resulted from the cost-conscious reforms of the 1980s. The NHS had formerly required few costs measurements, and doctors were inexperienced in "budgeting" patient care and drug costs. Almost overnight, a new market for software suppliers appeared, selling systems to doctors who were novices at both computers and business administration. Doctors suddenly had to monit

costs, especially prescription expenses, an exercise that would have been impossible based purely on paper-based notes.

Many doctors installed their first

systems in the late 1980s, aware of an increasing need to measure drug-related costs, and other resources used by patients. The two most widely sold systems, Vamp Health (2,000 sites) and AAH Meditel (1,289 sites), were both developed by British companies that were acquired by pharmacouticals companies.

The recent emphasis on preventative medicine has put extra tasks on the doctors' age Their pay levels are now linked to fulfilling preventative duties, including immunisation, cervical smears and check-ups on the elderly. Doctors must be able to satisfy their local Family Health Service Authority that they have achievable et percentages of their patient de la to quality for performance related pay. Practices can now apply for fundholder status, which allows

doctors a budget for patient care, and gives them control of how it is allocated. To qualify for fundholder status, doctors must be able to deliver the appropriate statistics which means computerisation must take place at least a year

GP fundholders get all software expenses and 75 per cent of hardware costs reimbursed by the FHSA. Non fundholders get up to half of entire system costs,

CONTRACTS & TENDERS

OF GREECE

Summary of Invitation to Tender

CALL FOR BIDS No. 24153

In order to upgrade the level of service to customers the National Bank of Greece is interested in cooperating with a Greek or foreign consulting company for the redevelopment of its information services.

bids, on working days and during working hours, from the Bank's Organization and Data Processing Department at 377 Syngrou Ave., 175 64 Athens, Greece. Foreign firms may send a written request to receive the detailed call for bids by mail or by fax.

Proposals must be delivered in a sealed envelope to the abovementioned address on November 30, 1994 between 0800 and 1530 hours, or mailed to the same address and postmarked not

For further information please call Mr Economopoulos on +30 - 1 - 334.4761 or Mr Marinakis on +30 - 1- 334.4631.

NATIONAL BANK

The parties concerned may receive the relative, detailed call for

later than November 30, 1994.

LEGAL NOTICES

NO.006400 of 1994

IN THE HIGH COURT OF JUSTICE CHANCERY DEVISION IN THE MATTER OF CARE UK PLC

IN THE MATTER OF THE COMPANIES ACT 1985

a hereby given that a Petation was on 1.26, r 1994 presented to Her Majesty's High of Jastice for the confirmation of the on of (1) the capital of the above assured ny Iron 25,573,287.07 to 25,000,000 and "have Persinta Accioust of the Company

Order for the confinention of the said reduction of capital and the said reduction of Share Premium Account should appear at the time of the hearing in person or by Commel for that purpose. A copy of the said Petition will be funnished to any much person requiring the same by the undermentational solicitors on payment of

Tel: 071 493 9933 Ref (A/TYM/C2308/1

ABVERTISEMENT TO CREDITORS TO SUBMIT CLAIMS THE RESOLVENCY ACT 1966 ANTERNY WOOLCOTT LIMITED MEMBERS VOLUNTARY LEQUELATE

NOTICE IS HEREBY GIVEN that the NOTICE IS HERBER UPAN TERM creditions of the above named company are required on or before the "5th day of November 1994 to send in writing their names and addresses and the particulate of their debts or claims. If any, Throubly Richard Harris of COOPERS de LYBRAND, Hillipsis House, 26 Old Salley, Lundon ECAM 7PL the label legislator of the said company, or is default theroif they will be excluded from the benefit of any distribution made before such debts are proved.

been case or onwided for in full

HIGH COURT OF JUSTICE ERY DIVISION

IN THE MATTER OF THE COMPANIES ACT 1985

Notice is hereby given that a Petition was on 12th October 1994 presented to Her Majesty's High Coast of Jestice for the confirmation of the (1) response from £3,000,000 to £1,469,193 and (2)

Stey at The Royal Courts of Justice, don WC2A 211, on Westmaday th content 1994. And any Creditor or Sh

super for the confirmation of the making of an of capital and the said reduction of Share Prevision Account should appear at the time of the hearing in person or by Coursel for that purpose. A copy of the and Petition will be formated to say such person requiring the same by the undermonatoned solicitors on newscattle regulated character. Dated this Lst November 1994

Tel: 071 493 9933 Ref IA:JYM/C2308/1

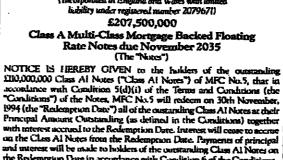
Notice of appointment of joint liquidators us to excise 109 of the languages Act 1986

Company Number: HSSECS. Name of Company: ANTHONY WOOLCOTT LIMITED. Nature of Duniness: Legal Services. Type of liquidation: Members. Address of registered office: Hilligate Houses, 26 Old Barley, London ECMM. TY-Lapsidoson sonce and addresses: Timality Bichard Lapschort seases and addresses: Thumby Bichard Baris, Cooper & Lybrand, Hilligan: Hower, 26 Od. Balley, London EC484 77L. Nigel John Vouglat Coopers & Lybrand, Hilligan: Hower, 26 Odd Balley, London EC494 77L. Office holder transplants: 2129, 6339. Dated of appointment: 19 October 1994. By whom appointmed. Members. Sagnature: T.R. Hartin, N.J. Vough. Dated: 78th October 1994 Annual Int. M. U. Efficie. ed by: M.V. Weight



FAX FOR FAST DELIVERY 0171, 240 5771

Chester Barrie Mortgage Funding Corporation No.5 PLC (Incorporated in England and Water was well liability under registered manter 2079671) oved on England and Water with limited £207,500,000 (The "Notes")



Bankers Trust Company, London

the Redemption Date in accordance with Condition 6 of the Conditions.

YOU CAN ADVERTISE YOUR SKILLS IN THE FINANCIAL TIMES RECRUITMENT PAGES FROM AS LITTLE AS £90 + V.A.T.

Looking for a Career Change?

FOR PURTHER DETAILS PLEASE CONTACT PHILIP WRIGLEY ON TEL:+44 71 873 3351 FAX: +44 71 873 3964 OR BY Writing to him at *Financial Times*, RECRUITMENT ADVERTISING, Number One Southwark Bridge, LONDON SET 9HL

SIMMONS & SIMMONS

is pleased to announce the opening of their office in Abu Dhabi

> The Blue Tower Khalifa Street Abu Dhabi United Arab Emirates

Telephone: 971-2-347882 Facsimile: 971-2-347832

For further information contact

Alan Buxton or Simon Pithers in Abu Dhabi

Alasdair Neil or Jerry Walter in London on 0171 628 2020

London Paris Brussels Lisbon Milan Rome Abu Dhabi Hong Kong New York

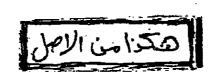
DOWN HALL Country House Hotel

Grounds For Business Excellence

This magnificent Victorian mansion and its stunning grounds is the ultimate business venue.

The elegance and tranquillity of our 26 conference rooms, 103 spacious bedrooms and boautiful period lounges provides the ideal setting for your conference. Coupled with that, our indoor and outdoor leisure facilities offer you and your guests the perfect way to mix business with pleasure. Just 40 minutes from London we invite you to visit us.

Down Hall Country House Hotel, * * * * Hatfield Heath, Bishops Stortford, Horts CM22 7AS Tel. 0279 731441 Fax. 0279 730416





The cheque's in the wild excuse

You have heard of the excuse that the cheque's in the post. But what about "the cheque's in the goat"?

Pressed for payment, one South Wales engineering firm told the insistent caller from a factoring service that its invoices and cheques books had been eaten by a goat that had climbed into the building. The story comes from

Barclays Commercial Services, the factoring and invoice discounting subsidiary of Barclays Bank, from a list of imaginative excuses offered it in 30 years of collecting payments. Other evasions included "my

managing director is absciling down our building for charity, can he call back tomorrow? and "I'm sorry no one can help you, the accounts department are on a credit control course" Then there were the calls

indicating all was not well: "I'm

sorry, the finance director has

taken the cheque book to pay the ball of the sales director." The most outlandish excuse came from an independent financial adviser who claimed that "the building was ram-raided last night and our accounts records are under a Ford Cortina in the front office"

Price of turning green

The British Chambers of Commerce estimates that businesses with up to 50 employees are spending up to £1.85bn a year between piem complying with environmental legislation. These costs are not being offset by efficiency savings, according to Richard Brown, deputy director-general of the BCC.

The estimate is drawn from a survey which shows that smaller companies are turning greener because of legislation rather than market pressure.

*Environment – The View of the Small Firm, from the British Chambers of Commerce. Tel 071 222 1555, price £60.

hen Robin Enderby was phoned by the Department of Trade & Industry to ask if his company would take part in a pilot programme intended to encourage innovation, he was sceptical.

"I detest red tape, bureaucracy, planning departments, consultants and banks," says Enderby, chairman of Blow Moulding Controls, a Gloucestershire manufacturer employing nearly 50 people and with annual sales of £3m. "I was very reluctant to get involved - I was the last guy in the world who wanted to know about it.'

The DTI caller, Doug Ponsford, persuaded him that a company could be transformed by the programme's method of managing continual and incremental change. In consequence, Enderby's company was one of 12 in Gloucestershire to participate in the pilot, Profit from Innovation, funded by the county's training and enterprise council at a cost of nearly £50,000.

At a DTI-sponsored seminar in

Cheltenham last month, Blow Moulding Controls and five other companies reported back in such positive terms that the Tec, proba-bly in conjunction with two other south-west Tecs, will fund another programme this month. It will also discuss teaching more trainers to expand the regional coverage, and the DTI innovation unit will shortly consider promoting the programme to Tecs on a national basis.

The subject of the enthusiasm is sentially a simple concept. It aims to improve a company's competitiveness by involving its staff in identifying the need for innovation, and then in implementing the necessary changes. It was devised by Clive Jones of Mentra, an innovation management expert, and Paul Ryan of the consultancy Business Logistix. Jones told the seminar: "In too many companies, change is an announcement from the managing

director, 'As from tomorrow... The programme consists of six sessions to teach techniques to senior managers on how to run staff workshops, followed by support vis-its to the company. A "driver" in each workshop encourages a flow of ideas to identify threats and opportunities, while a "scribe" uses flip charts to record these and also keeps discipline.

Techniques include asking people to list all conceivable faults of a product, and then stimulating suggestions for putting these right. Another approach is to forecast "supertankers" - such as social changes affecting a market - and "blockbusters" – described by Jones as "a supertanker that comes in a

hurry".
All this sounds sensible but is it effective? Enderby said the package seemed to boil down to one massive questioning technique". It had



All change at the factory

A DTI project to encourage innovation surprised companies with its success, writes Roland Adburgham

decreased his business's quality to sales improved. problems and increased profitabil-

By involving all the workforce, we had guys coming forward with lots of ideas - some of them very good." One outcome was that his company had rethought its US marketing strategy.

Derek Morris, chairman of DM Foundries, with 25 staff and a turnover of nearly £1m, had been as dubious as Enderby. "We're plagued by consultants who think they know it all. But we were amazed." His foundry worked in a difficult environment, in which many customers had gone bust, and staff thought they were used to problemsolving. But the workforce came up with "tremendous" suggestions. In one example the cause of a rapid production drop in one section was resolved.

A.T. Poeton, an engineering company with 100 employees and £3.5m sales, also suffered in the recession. "We made considerable efforts to find new customers but we didn't do so fast enough," Anthony Poeton, managing director, says. "Turnover dropped as did the profit to sales ratio." The package had made a tremendous difference. New markets had been identified and profit

In contrast, success caused difficulties at Invertec, which makes transport lighting equipment. Charles Valentine, managing director, said its sales of £3m were up 100 per cent in two years. "The main problem hit us earlier this year when our order book exploded and

nvertec found the programme "incredibly useful", he said. The company realised it had poor communications with its customers and internally. "We needed to listen to what the shopfloor and junior management were saying. I used to have a plaque in my office saying: 'As managing director I'm entitled to my bigoted opinions.' I now listen to people and have thrown the plaque away."

One identified weakness was that

we weren't ready for it."

Invertec's information technology was "woefully poor". The company was now investing in an integrated software package. The "super-tanker" technique had helped to analyse other issues such as the impact of transport air conditioning on its products.

Brian Bennett, managing director of Plastex International, a recycling company with 35 people and a £5m

turnover, said it too had rapidly expanded. When his telephone call came from Ponsford, he said: "I was probably the most sceptical - I felt we didn't have time, and would it really benefit us." But in the workshops, he said, there were "staggering comments".

The management discovered, for example, that staff did not feel motivated by the bonus scheme - which has now been scrapped - and did not understand the business. "The techniques improved our ability to identify problems and make decisions." Productivity had risen and there was a different attitude by both management and shopfloor. Enderby voiced one concern,

shared by others, about how to maintain the initial enthusiasm. Jones acknowledged not all companies gained equally - for example, when management tried to institute big changes first, rather than small changes where employees could see immediate The attitude of the workforce was

crucial. "Some took to the programme immediately," he said, "but a lot were very, very suspicious and almost hostile. But once we started and the ice was broken, it went very well."

Richard Gourlay on the start of an umbrella advice organisation

Business Link for London

reater London's 200,000 businesses are about to get Their own Business Link organisation after more than a year of acrimonious turf battles between the agencies supposedly supporting them. To be precise, the capital is likely to be getting 10 Business Links.

On November 23, a national ssessment panel will review the first bid, for Business Link London, which will act like its counterparts in England and Wales as a one-stop shop providing advice and support services. Business Link London will act as an umbrella over nine local Business Links throughout the capital.

The case for a unified Business Link system bringing together the myriad support agencies in the capital was forcefully articulated last week by Earl Ferrers, the new minister for small businesses. "In London there are 33

chambers of commerce, 26 local enterprise agencies, nine training and enterprise councils, 32 local authorities and all the DTI support services," Lord Ferrers told the London Chamber. "All of that can be pretty daunting to a humble minister and one wonders if it is not pretty dannting to the

These "customers" have not been uppermost in the minds of all support networks as they shaped Business Link London. The partnership has been fashioned against the wishes of a number of chambers of commerce, fearful they might lose members and their raison d'être. And some Tecs are only on board after the DTI wielded a stick and refused to let them provide their support services independent of a Business Link organisation.

One of the philosophical debates concerned whether London's Business Links should be helping regenerate economically depressed areas, as some local authorities wanted. Brian Wright, chief executive of the London Enterprise Agency, says the opposite view has prevailed - that Business Links should be concerned with supporting businesses with growth potential. Irrespective of which organisations wither and which

adapt, London's businesses should have a clearer idea where to turn for advice by next July when Business Link London hopes to open its doors.

COMPANY

FRENT SHIPS.

MBL

108511

FORNALI

FOR SALE

and destributor

Shirt and blouse museu!

As the proposals currently stand, the London-wide organisation will have responsibility for those support areas where local duplication would not be cost effective. So, the Business Link London will look after information services and the new information technology network which will require extensive investment. Specialised services, such as export support, will also be organised centrally. At the local level, the Business

Links will look after the personal business advisers who visit companies, assess their needs and refer the businesses to a specialist. These local operations will also develop local specialities - a knowledge of the rag trade in the east of London, for instance.

David Grayson, chairman of the

national assessment panel for Business Links, believes London's businesses will finally receive the kind of customer-focused service they require if they are to be internationally competitive. One area that might suffer in

Business Link's new world are start-up companies and other micro-businesses, while there will be exceptions, the Business Links network is targeting businesses

with 10-200 employees. Wright agrees this is potentially a problem. But he believes these companies can be served by Local Enterprise Agencies.

This may be possible for organisations such as the London Enterprise Agency, which are partly funded by private-sector sponsors and have freedom to decide which start-ups to support. **But many Enterprise Agencies**

are dependent on funding from the government's Enterprise Initiative programme and as a result mainly support businesses started by the unemployed. From next year, the budget for this initiative will disappear into

the government's new single regeneration budget for inner cities. Enterprise Agencies recognise their start-up support programmes may receive meagre rations from this pot.

BUSINESS OPPORTUNITIES READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL REFORE ENTERING INTO COMMETMENTS

Business Opportunity - India

We are a reputed Engineering Company in India having spare capacity for ufacture of High Precision components & assemblies for engineering and

Computer sided engineering and manufacturing, CNC technology, efficient sing centres etc including gold plating. We have adequate facility for search and development and a team of experienced engineers and technicians. sally we are manufacturing clock work mechanisms for defeace applications

We are open to discussion for sourcing of components, long term strategic chnical collaboration partnership and buy back arrangen

> Please write to: MR. RAMESH KUMAR CHIEF EXECUTIVE International Operations Fex No. +91 11 461 5204

Selling your Business?

We have the skills and experience to achieve the best price for your business and structure the deal to achieve maximum tax efficiency. If you are considering a sale and your turnover exceeds £1m. we would like to talk to you.

Our charges are based largely on results, so you have little to lose. For a confidential discussion without commitment please contact Lance Blackstone or Gary Morley at:

Błackstone Franks

Blackstone Franks Corporate Finance 26-34 Old Street, London EC EV 9HL Tel: 071 250 3300 Fax: 671 250 1402

Doing business in Russia?

"CSE-INVEST"

Russian licence Consulting, Russlan Law, Stock Exchange Activity

Russian Investment Bankers with

Some Risks - High Profits

Ph.: 007 095 921-6324 Fax: 007 503 956-3176

BUSINESS GROWTH

Your company can achieve additional growth in 1995 by adding prover products, processes and technologies sourced by strategic partnerships with successful companies in Japan, N.America and elsewhere. We research high quality opportunities for companies and provide a full service including opportunity identification, market research and agreement negotiation. Many PLCs and companies have achieved success with our programme since 1979 and full details are available from:

Dr Derek A Newton, Director - SPA TECHNOLOGIES LTD 18 Arlington Avenue, Leamington Sps, Warerickshire, England, CV32 5UD Tel: 0926 332228 Fee: 0926 336657

Established Events and Marketing Communications Company....

based in central London with highly experienced team and prestigious blue chip client base seeks to expand by merger with similar business or acquisition by larger organisation with the view to becoming a dedicated marketing and communications division.

All enquiries welcome, please write to Box No: B3425 Financial Times, One Southwark Bridge, London SE1 9FIL

HOTEL COMPANY

Re-financing of £7.5m required over 3 years term. Security over properties.

All replies treated in strictest confidence. Write to Box No: B3424 Financial Times,

WITE A MAJOR UK INSTITUTION, WE WILL CONSIDER QUALITY FINANCING PROPOSALS, INCLUDING:

mmercial & Residential Property * Nursing Houses, Hotels and Retail * Restructure and Refinancing * International Trade Fluance

Write to: Box B2503, Financial Times, One Southwark Bridge, London SE1 9HL.

FOR SALE The Magic Island (Spain) Residential Golf

8000 m² residential land within the 27 hole golf cour se of Roca Llisa. Beautiful views. subdivisible into 4-6 stands, to build for yourself and your friends, or to re-

tain as capital investment. Fully serviced and ready to be developed. Price Sfr. 125.- pro m². Can be dealt with and financed through Switzerland. Ibiza is highly recommended, 29% more visitors than in 1993.

RESIDENZA AG Tel.: 0041 1 221 33 95

We'come to MONTREUX TVEVEY Your Place of Business.

n Residence and work parents for allers

atroductory bractime (_____ Premier Contact*, write or call :

Michel-A. Graher, Economic Councellor P.O. Bos. 1460, CH-1820 Montreux. 1 Phone 4121/963 48 48, Fax 4121/963 80 65

Street, LONDON, W1X 3TB.

Tel: 971 593 5244

Fax: 971 491 0605

MANUFACTURERS!

Distributors!

DEAL HOME SHOPPING CATALOGUE DISTRIBUTED TO 10 MILLION HOMES PER ISSUE TO SELL YOUR PRODUCT. CROMES SUBSTANTIAL SPRIETS &

TURNOVER POSSELE

Tel:0733 341445

MEN IO: (MEW BUSINESS DEF IDEAL HOME MAIL ORDER IDEAL HOME HOUSE

TRAVEL AGENCY

Tailor Made Holidays

Petablished Business

To Finance Growth.

TOP CLASS RACEHORSE

FOR SALE

Winner of 9 races.

Will have a favorrites chance of

winning the

next month.

For details Tel: 0981 22363

usive Spanish Ladies' Şwimwest

Designers and Manutacturers Searching for Distributor in UK. France and other European Countries. Contact: CELENEK Tel: 34-56-855957 tac: 855911

Mackeson Gold Cop at Chelse

ase write to: Martin Stone FMCB Management Consultants Ltd, Ratheway House, Popes Drive. Finchley, London N3 1QF Tel: 081-346-6446 Fax: 081-349 3990

cialisine in Exclusive

stenent Sought

IMPORTERS

High quality of service from long-established Firm, based in Central London.

OFFSHORE COMPANIES & TRUSTS From US S250

Various Jurisdictions **Course Property** formation/immediate service INTERNATIONAL COMPANY SERVICES (UK) LIMITED Standbrook House, 2 - 5 Old Bond

opportunity! l'alacker 50, CH-8001 Zürich Fax: 0041 1 221 03 84

An excellent investment

Formalist up to 20 years
Formalists expedited
and completed
at no charge The based streets of bring Security for family and fami

PROPERTY BARGARIS Tenented res. up to 75% off v.p. valuations, All areas. For details and appointment write Croy Trust Ltd., Belmont House, 2-6 Belmont Rd, St Heller, Jersey, C.L. Tel: 0534 78774, Fax 0534 35401 Tlx 4192227 COFORM C

COMPUTERS

CHANNEL ISLANDS

Offshore Company Forntation and Administration. Also Liberia. Panama & BVI etc Total offshore

We Buy & Sell all Makes Small, Medium, Large Qty's Excess, Used, Liquidated Working, Non-Working Complete, Incomplete Call 0527-574611

Finance and Financial excertise sought for North London based book distributor and publisher Projected turnover £1m-£1.5m per annum. lease write to Box B3429, Financi Times, One Southwark Bridge,

London SE1 BHL OFFER FOR SALE OF MASTER LICENCE on lerms to be agreed. To person or company with expertise to develop the market potential of a series of Inventions roleting to the Packaging Industry. Reply Box B3486, Financial Times. One Southwerk Bridge, London,

SOUTH AMERICA - Import/Export, UK company with established presence in lucretive markets of MERCOSUR is seeking further products to promote. Send full details to Box B3428, Financial Times,

COMMERCIAL FINANCE Verture Capital available from 225,000 upwards, Seneble Rates, Sensible Fees. Broker orquiries welcome. Angle American Vestures Ltd. Tet: (9824) 201385, Fax (9324) 201377

AUCTIONS

NEXT AUCTIONS of life assurance policies or investment will be held on 3 and 17 November in London and 10 November in Bournemouth Telephone H.E. Foster & Cranfield

0171-608 1941 for extalogs Regulated by Personal Investment Author LEGAL NOTICE

IN THE MATTER OF MECOAS MIDDLE

IN THE MATTER OF THE CYPRUS COMPANIES LAW CAP (II) Notice is hereby given that the creditions of the above-staned company which is being voluntarily would up see required on or before the lat day of Documber 1994 in send in their fall names, their addresses and descriptions, full particulant of their dates or claims and the names. assume, their addresses and descriptions, hall porticulars of their dots or claims and the sumes and addresses of their solicitons (if say) to the undestigned Mr Contas L Merococciotos, ACA of Julia States, 3 Themistotical Devis Steet, P O Box 1612, Nicosia, Cyprus, the Residucer of the avide company, and if no requerted by notice in writing from the said disputator, to come in and prove their said debts or claims at small time and place at shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this lat day of November 1994

AIRCRAFT FOR SALE



The affordable

Guaranteed Operating Costs

 More Useful, More Convenient, More Flexible All the benefits of your own private jet ... for only 33% of the capital

The ONLY partial jet ownership company

For more information, a brochure or to view our aircraft call Mike Hamlin or Keith Tomlin on 01582 26760 Fax 01582 27135

TM: The trade mark JesShare is owned by the London Jet Share Company Ltd.

BUSINESSES WANTED

A PUBLICLY QUOTED COMPANY pecialising in niche financial

businesses up to £10m in size. Write Box: B3430 Financial Times. One Southwark Bridge,

London, SE1 9HIL

products is seeking to acquire

similar financial services

SMALL LISTED PLC SEEKS £1M + PROFITS

BUSINESS FOR REVERSE TAKEOVER CALL 0825 840047

BUSINESS WANTED Private individual seeks a siness in light engineering with to in excess of £1m. Reply in Confidence to Wood & Leigh , 16 Courtfield Road,

London SW7 4DD

All Advertisement bookings are accepted subject to our current Terms and Condition conies of which are available by writing to Landon SE1 9HL Tel: +44 71 873 3000 Fac: +44 71 873 3064



executive jet option

from The London Jet Share Company

• Low Management Input

with aircraft available NOW

*********** **BUSINESS WANTED BUILDING MATERIALS**

AND RELATED SECTORS An excellent opportunity for shareholders to exit from a private company (perhaps an earlier MBO/MBI) or for a group to sell a non-core division/subsidiary. Our client, a quoted UK group, supplying goods and

services to the construction industry, wishes to add a major new division by acquiring a business which:

• is involved in similar and related activities

 is preferably a manufacturer • has a turnover to £40 million (or possibly higher for the right opportunity) and is profitable

 Is UK based, but has an export capability has a management team looking to continue.

Vendors and their advisers should telephone either Patrick Groarke or Marcus Moir on 071 388 4242 in absolute confidence. Your identity will not be revealed to our client without your permission.

Acre House, 11-15 William Road, London NW1 3ER LIVINGSTONE GUARANTEE THE ACQUISITION & DISPOSAL SPECIALISTS

Livingstone Guarantee plc

WANTED

Power Supply Manufacturer Turnover £1-£3 million

Write to: Box B3519, Financial Times, One Southwark Bridge, London SE1 9H1

COMPANY

9

The British Polio Fellowship was granted a Street Collection in the Metropolitan area on Saturday 16 July 1994 and also in the City of London on Friday 2 September 994. As required Regulations governing Permits, we are pleased to announce the sults as follows:

NOTICE

Metropolitan Police area Income £12,159,28 Expenses 187.48 Net Result £11,971.80

City of London area Income £4,600.14 Expenses £186.55 Net Result £4.413.59

The British Polio Fellowship records its earnest gratitude to the members of the public for their generous support and its appreciation to all collectors who made this voluntary effort

Kingston Spint (Scotland) Lim

Be designed to the first of the second The second secon Mental feed to the first street on the * See Die Protein Abbildige Germanischen STEER LOOK SAFE Property of the Control of the Contr · let

Control of the second

Blanch Control BUSINESS SERVIC

1 1

ONE

M.

(1×)

Save on nternational Phone Calls! & only 24p per min Miralia 40p per man No VAT

authous our loss and water confilers Kallbac .

For the 1-206-284-3000 1-206-282-55E5 Service .

the state of the s

>: -\$1:

eather !

tart of an sation -

or in the second

4 - 12 54

- J. ______

-

-- 12 No. 2 <u>--</u>

MPANY

MONACO S.A.M. COMPANY

For sale from Owner to Owner immediately available, shell company in good standing. Authorization includes trading and management activities.

Please address your enquiries to: Present accretion your empurious to: Box 83520, Financial Times, One Southwark Bridge, London SE1 9HL Full confidentially assured.

FOR SALE

Industrial Equipment Supplier and Tool Hire Business with DIY and Leisure Divisions Midland based with Voof £1.5m. Profitable Write to Box No: B3498 Faterocal Time One Southwark Bridge, London SE1 9HI

BUSINESS OPPORTUNITY LOG Composies in Trust
 Ascriess
 Susincess For Sale

Produced by experienced professionals with actions business people in mind landseds of Cos. and contacts in each land Tel: 071-353 5003 Fax: 071-353 3004

> EFFICIENT SAWMEL IN ESTONIA.

drier, small planer, forklift, 4 trucks, etc. Production 8000 m² 2 year. Price £150,000. Enquiries fax +358 57 510210. Tel + 358 57 510200

LANCASTER HOUSE **PUBLICATIONS LTD** Prestigious agme and tax losses of £6000. Offices in excess of £15,000 will One book of short stories entitle "Northern Lights". Published Coutact David Scott
Tal 0282 33377 or Fax 0282 831205

FOR SALE

West Midlands based process engineering and fabrication npany. Serves water, sewage a chemical sectors. Patents pending. Has UK agencies. Turnover - £0.6 to £1.2 million Reply to Fax No: 0622 764506

FOR SALE

Britian's biggest Yacht Chandler with 3 6000 sq ft showrooms in London, Poole & Southampton, Tumover at end of 1993 SA.6M: Poli Colon: Mall Order Catalogue with mailing list. Euquiries to Box No: B3427 Finan Times, One Southwark Bridge, Landon SEL 95IL

> Turnover of around £3.5m • Established 100 years

Tuson Limited Peakdale Garages Limited

Tony Thompson and Mike Seery, the Joint Administrative Receivers, offer for sale as a going concern, in whole or in part, the businesses and assets of the above

The companies operate car retail dealerships and other related businesses from three sites in the North West of England.

- Three trading sites; in Glossop, Hyde and Chapel-en-le-Frith, including showrooms; service areas, bodyshop etc;
- Current turnover of some £10 million;
- 24 hour petrol forecourt selling 2 million litres a year; and
- Car hire fleet at all three sites.

For further information contact the Joint Administrative Receiver, Mike Seery, KPMG Peat Marwick, Edward VII Quay, Navigation Way, Ashton-On-Ribble, Pre Lançashire PR2 2YF. Tel: 0772 722822 Fax: 0772 736777.



KINMAIN CONSTRUCTION LTD

The Joint Administrative Receivers, Hedley Brunt and Philip Lyon, offer for sale, as a going concern, the business and assets of the above.

- One of the Midland's (West Bromwich) leading civil engineering
- Approved contractor for many local authorities.
- Annual turnover in 1993 approximately £3million.
- 20 skilled employees.
- High quality freehold office, workshop facilities and store plus 2.1 acre
- secure yard. Separate freehold industrial unit of 3000 sq. ft. Extensive plant & equipment - JCBs, road vehicles, hoists, compressors, etc. For further details contact: Hedley Brunt or Nigel Spearing, Kidsons Impey, Bank House, & Cherry Street, Birmingham, B2 5AD.

Tel: 021 631 2631 Fax: 021 631 2632 etsessanus bezotenta.

Regional is very as softe und and anterior to carry as imparent basings by the legisle of Charteni Accommo to England and Wide

FOR SALE

Shirt and blouse manufacturer and distributor

Manufacture and distribution of well known

• Far Eastern and European licensing operation

Two freehold factories undertaking CMT work

For sale us a going concern

following the death of the principal shareholder

DM Farguharson, Binder Hamlyn

Victoria Square, Victoria Street

Tel: 01727 836363 Fac: 01727 840993

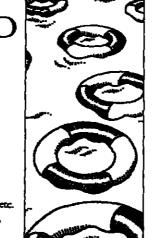
BINDER HAMLYN

St Albans AL1 3TF

For further information please contact:

branded product in the UK

Further investment properties







-Saxilby Lid.

1/A Thorns Catering Equipment Hire

The Joint Administrative Receivers, T R Harris and N J Vooght, offer for sale the

Please address all enquiries to Adrian Howlett at Coopers & Lybrand, Hillgate House,

Coopers & Lybrand is authorised by the lastimie of Chartered Accountants in England and Wales to carry on Instituted Regions.

26 Old Balley, London EC4M 7PL. Telephone: (071) 583 5000. Fax: (071) 212 6800.

business and assets of the above company.

Principal features of the business include:

■ Net assets of £24 million;

■ Turnover in excess of £5 million and profitable;

Marsh Lane, Southampton SO14 3EX.

■ Industrial estate generating income of £1 million, and

KPMU Corporate Founds is a practising upon of KPMO Peat Marwell, a bich a authorized by the Improte of Charleted Accessives as England and Wales to carry

■ 80 hectares of development land coned for industrial development

For further information please contact Andrew Carr or Robert Haycock on (01703) 631465 or at the following address: KPMG Corporate Finance, Dukes Feep.

· long established business

noted for quality of service

• iuli conce oi coterino eci

strong customer base.

turnover of £420k

Our South of England Based clieut offers an establish

aerospace approved engineerin company for sale. The key teatum of this business are: Turnover in excess of

- £1,500,000 Full order book
- Long established trading name
- Highly skilled and stable
- Full in-house service including approved treatment shops.
- Premises available for sale or

interested parties should apply in writing to: David Lee, Rass Brooke & Co. 39 London Road, Newbury. Berks RG13 1JL.

BUSINESSES FOR SALE

MAJOR EAST ANGLIAN CAR AND TRUCK DEALERSHIP

His Cales Grens

Group Turnover Approx. £50 million Net Assets at 30 September 1994, £1.4 million (unaudited)

Gales of Wymondham

Søddon Alkinson Distributors

Flot LCV dealership

· leasehold property

leasehold property

Bedford Services and Ports Dealer

· truck servicing and new/used sales

established regional customer base

- approx. Annual T/o £1.8 million.

Master Vehicle Contracts

established regional customer base

approx. Annual T/o £7.2 million.

· contract hire of cars and light commercial vehicles

For further information, please contact Jonathan Sisson or

Stephen Oldfield at Coopers & Lybrand, The Atrium, Si Georges Street, Norwich NR3 1AG. Telephone: (0603) 615244.

Following the termination of its declarations but subsequent granting of new Vouxhold dealerships to the Joint Administrative Receivers, Jonathon M Sisson and Amonda S. M. Robertson offer for safe, the business and assets of the following Gales Group Companies:

Gales of Beccles

- Vauxhall Dealership Leyland Daf Truck Service Point
- LDV retall dealership
- extensive freehold propert
- approx. car units sold: 300 retail, 1000 used, 1600 fleet
- approx. van units sold: 200 retail, 400 fleet approx. Annual T/o \$33.3 million.
- Gales of Diss Vauxhali Dealership
- freehold property
- · established local customer base · approx. car units sold: 300 retail, 450 used
- approx. Annual T/o £7.7 million.

Conners & Lybrand is authorized by the Institute of Charleson Accountants in England and Wales to carry on Im-

PARWIDE LIMITED & HOLMESQUEST HOLDINGS LIMITED T/A

- Principal features of the business include: total estate approximately 1,070 acres on River Waveney, between Great Yanneuth and Beccles three 9 hole golf courses; plich & puit, par 3 and tuil 3,400 yards. Permission to extend par 3 and
- riding and equestrian localities, including livery
- the Hall liself with a bar, two restaurants and office facilities
- arable land approximately 200 acres
- reed bads and marshland approximately 300 acres
- commercial woodkand approximately 285 acres.

For further details, please contact Jonathan Sisson or James Montin at Coopers & Lybrand, The Athurt: St Georges Street, Narwich, Nortalk NR3 1AG. Telephone: (0603) 615244. Fax: (0603) 631060.

Coopers & Lybrand is authorised by the Irratitute of Chartered Accombants in England and Wales to carry on

&Lvbrand

CHEMICAL MANUFACTURER

PPK Products (UK) Edmited

The Administrator D J Stokes, offers for sale the business and assets of this chemical manufacturer.

Principal features of the business include:

- · manufacturer of cresylic acids, cresylic creasates and other phenofic products, principally
- distillation and blending facilities
- modern leasehold factory in Sheffield, close to M1
- turnover of approximately £1.0 milition
- good order book.

For further information, please write to David Stokes at Coopers & Lybrand, 1 East Parade,

Sheffield S1 2ET. Telephone: (0114) 272 9141. Fox: (0114) 259 8202, or confact Nigel Bedford at the Company's premises on telephone (0114) 256 1676. Coopers & Lybrand is authorised by the Institute of Chargered Accountants in England and Wales to carry on

SANQUHAR, DUMFRIES & popers GALLOWAY &Lybrand **Bournemouth International Airport** Kineston Sponers and associated land (Series and Community of the Community o

Bournemouth Borough Council and Dorset County Council, the shareholders of Bournemouth International Airport, have appointed KPMG Corporate Finance to The Joint Receivers, Frank Blin and Ian Rantein of Coopers & Lybrand. market their interest in the business and the associated land Glasgow, offer for sale the business and assets of this company, which

specialises in the texturising and dyeing of corpet yarn. ■ Used by scheduled, holiday charter, commercial and freight operators,

- Principal features of the business include: Space Dye Process Facility, with Superba machines
- established quality customer base
 modern leased unit of approximately 70,000 square feet
 1994 turnover in excess of \$1.2 million.
- For further information, and an appointment to view, contact for Rankin or Derek Forsyth at Coopers & Lybrand, Kintyre House,

209 West George Street, Glosgow G2 2LW. Telephone: (041) 248 2644.

Coopers & Lybrand is authorised by the Institute of Charte England and Wales to carry on Investment Business.

BUSINESS SERVICES

International Phone Calls! USA only 24p per min

Australia 40p per min No VAT Ask about our low rates to other countries.

kaliback Call USA 1-206-284-8600 Fax USA 1-206-282-6668

419 Second Ave. W, Seattle, WA 981 19 USA HARLEY STREET BUSINESS
ADDRESS Fully serviced offices, business
actions, bonstroom, all secretarial services
plus free message-tailing. For further

detain phone (77) 637 5505. BUSINESSES FOR SALE

Appear in the Financial Times or Toesdays, Fridays and Saturdays. For further information or to advertise in this section please contact Kest Loyation on +44 71 873 4780 Dr. Leeley Summer an +4471 873 3306

CALL USA **AUSTRALIA**

First 30 mins FREE Dial Int. Telecom

Tel: 081 490 5014 Fax: 081 568 2830

FOR SALE NORTHERN BASED Radio Communications Busines

Blue chip clients 1/2 million owner wishing to retire.

London SEI 9HiL

and sales of assets founightly 071 262 1164 Fac 071 708 3484

OFFICE EQUIPMENT

We have - direct from the manufacturer new high quality executive and system ranges

with discount of up to 40% from R.R.P.!

London Showroom for viewing: Ariel House, 76 Charlotte Street, London W1 Tel: 0374 741439

LINEABURO LTD Tel: 0992 503313

Our client is a well-established, profitable Northern based manufacturing company operating primarily in the office furniture and melamine panels market. They have a broad UK customer base and operate from a modern factory with a work force of 25. The shareholders now wish to make a complete disposal of the company although

The business is experiencing rapid growth and have recently introduced new proto provide a platform for continuing progress both in the UK and hurope Principals

G S Pearson Corporate Finance Headingley, Leeds LSo 31th

Rully Indexed workly guide to co's in liquidation & recovership, co' In traditio, insolvency auctions, businessos for sale New Sections Pre-Insolvency & LPA Receiverships. the UK guide to commercial property in receivership and for sale 100's of property bargains - Hotels, Nursing Homes, Land, Office

TOILETRIES Large capacity modern

and bottle filling lines.

Fax London: 081 961 6853

TRAVEL COMPANY WITH TAX LOSSES Write to Box No. B3426 Financial

Tel: (0273) 626681 Fax: 898661

Times, One Southwark Bridge. London SFT 9111.

FOR SALE

Motor Dealership

of Sharman and Ladbury Limited, a Ford Dealership located in Melton

Mowbray, Leicestershire, Principal features include:

- Leasehold site of 1.49 acres incorporating showroom, offices, workshop
- and bodyshop of approximately 29,500 sq.ft. Freehold available. ■ Located close to Melton Mowbray town centre on main Leicester Road.
- Experienced work force. ■ Current turnover of approximately £12m per annum.

For further information contact the Joint Administrative Receiver, Mick McLoughlin, KPMG Peat Marwick, St. Nicholas House, 31 Park Row,

Nottingham NG1 6FQ, Tel: 0115 935 3535 Fax: 0115 935 3500.

VEHICLE CONTRACT HIRE

Small Vehicle Contract Hire Business - 140 vehicles - good residual values - profitable -Blue Chip clients - unutilised tax allowances - subsidiary of group wishing to concentrate on core business.

Write to Box 83499, Financial Times, London SE1 9HL

RESIDENTIAL PROPERTY SALES,

t: Ten years profitable trading ☆ 4 branches, strong branding 350 nomenties ander man 4 T/O c. £750k, ore tax/drawings

☆ Retirement sale Contact: Jack Clipsham, Beavis Walter, Andrey House, 16/20 Ely Place, Landon FY IN 65W, Tel: 678-438 1111

FOR SALE

RESIDENTIAL HOUSE BUILDING COMPANY

- Family business established 1987 Substantial tax losses available
- Asset values in excess of £1m Prospects for future growth

Contact: Patrick Loftus. BINDER HAMLYN, 1 Norfolk Street, Manchester, M60

8BH Tel: 061-831-7121

FOR SALE LONG ESTABLISHED COMPANY in the of air and grease filtration products with a 50.5m turnover and excellent profits. The company specialises in the manufacture of

environmental cleaning market, manufacturing a comprehensive range products in the expanding field of carbon filtration, and therefore has good prospects for future growth. Convenient for M25. Write. Box B3421, Financial Times, One Southwark Bridge, London SE1 9HL

ONLY 17p/min ONLY 29p/MIN

Cellular, P.M.R., Sales, Service, Rental. Batablished 2Syrs.

Write to Sex B3510, Financial Times,

One Southwark Bridge,

100+ LIVE BUSINESSES FOR SALE

OFFICE FURNITURE

conference and receptions. Large choice of veneers, meiamine and/or laminate finishes

Full camead and planning services.

MANUFACTURING BUSINESS FOR SALE

Mrs S J Hudson ACA

Businesses & Property in Receivership

process and mixing plant for all types of liquids, creams, lotions and pastes plus tube

A South East Lundon



The Court of First tractor market, the Commission Instance has dissaid. It refused exemption from missed the appeals of three tractor manufacturers against a 1992 European Commission decision con-

demning the UK Agricultural Tractor Registration Exchange agreement.

The Commission said exchange of information on tractor registrations infringed Treaty of Rome competition rules, because it resulted in an exchange of information identifying sales of individual competitors, dealer sales

The agreement concerned an information system based on UK Department of Transport tractor registration data. In the UK, all vehicles must be registered for use on public roads. Systematics Inter-national (SIL), a data processing company responsible for process-ing and handling registration application forms for the department, was permitted to send certain information to the parties to

the agreement.

The Commission said the information sent to members of the agreement could be divided into three categories:

 Aggregate industry informa-tion, including aggregate industry sales broken down by year, quarter, month or week;

• Information on each member's sales, including number of units sold by each manufacturer and market share for various geo-

graphical areas; and
Information concerning sales made by dealers in each member's distribution network, in particular imports and exports in their respective territories.

Until September 1988, parties to the agreement received part of the registration application forms filed by independent importers from SIL. Thereafter, the Commission said they continued to receive sufficient information to enable parallel imports from other member countries to be identified, mainly through the use of tractor serial numbers. Dealer territories could be identified because the registration procedure required customer postcodes to be given and the manufacturers defined territories by postcode.

The eight agreement companies b'd about 87-88 per cent of the UK

the competition rules largely because the information exchange system did not benefit consumers

but exclusively suppliers.
The Commission claimed it had never accepted either that exchanges of recent and detailed information were indispensable to achieve the commercial objectives of the members of the agreement or that such exchanges offer advantages, in particular for third parties, which would compensate for their restrictive effects on com-

petition. The CFI rejected the tractor manufacturers' arguments that the agreement did not restrict competition or affect trade between member countries and, if it did, it should have been

The Court said the provision of the information to all suppliers joining the system presupposed an agreement, or a tacit agreement, between the parties to define the boundaries of dealer sales territories by reference to the UK postcode system, as well as an institutional framework enabling information to be exchanged between the parties through their trade association (Agricultural

Engineers Association).
The Court said the frequency and systematic nature of the information also enabled a trader to forecast more precisely the con-

duct of its competitors.

The Commission's decision was the first time it had prohibited an information exchange system concerning a single-product market in the absence of directly related anti-competitive conduct, such as price fixing. However, the CFI con firmed the Commission had applied the same criteria it always

The CFI agreed with the Commission that in a narrow oligopolistic market, where four compa nies had a dominant market share, the exchange of confiden-tial information restricted the hidden competition which would otherwise exist in such a market and formed a barrier to new market entrants.

T-34 and T-35/92, Fiatagri UK, Ford New Holland and John Deere v Commission, CF1 2CH, October 27

BRICK COURT CHAMBERS,

or many of the top commercial law firms the recent recession had little impact on gross revenues. That has been particularly true for firms with strong insolvency, banking and internationally based practices.

Inevitably, however, the economic downturn threw up its fair share of casualties on both sides of the Atlantic. Some firms' troubles were more public than others. In the US, Boston's Gaston & Snow went to the wall. In the UK, DJ Freeman was one of the first to acknowledge publicly that it had financial problems – difficulties which, by all

accounts, are now behind it. For others the pain is not yet over. Much has been written about the problems of City law firm Turner Kenneth Brown and its failure to clinch a merger with Alsop Wilkinson. And in the US last month, Lord Day & Lord Barrett Smith, one of New York's oldest law firms, dissolved its partnership.

Rumours continue to circulate in London about the precarious financial health of several well-known City law firms. But although many firms were open about laying off staff during the recession, few are prepared to follow DJ Freeman's example and acknowledge financial difficulties in public.

That is understandable says Mr Christopher Honeyman Brown of accountants Binder Hamlyn. "There is tremendous prejudice against professionals unable to manage their affairs, to the extent that they get into a money muddle. Accountants would certainly be discredited. Lawyers probably also," he

says.

Fear of publicity also appears to have prevented many firms from confronting their financial difficulties and attempting to restructure.
"People do tend to bury their heads in the sand, especially partnerships with problems. They just hope they will go away," says Mr Steve Hill of accountants Coopers & Lybrand. Part of the reason why partner-ships in financial trouble prefer to

soldier on rather than confront their problems is that, until now, they have had little incentive to When the 1986 Insolvency Act

introduced new rescue procedures for companies and individuals, partnerships were left out. But this gap, long criticised by insolvency practitioners, is about to be filled. On December 1, the Insolvent

Partnerships Order 1994 will extend the rescue culture to partnerships, allowing those in financial difficulty to make use of voluntary arrange ments and administration orders for the first time. Under the old rules, an insolvent

partnership could only be liquidated compulsorily or wound up by the partners' trustee in bankruptcy.

Pain-saving incentives

Robert Rice on the latest insolvency rules for partnerships



Therefore, partnership rescues that have taken place tended to be through the use of serial individual voluntary arrangements (IVAs) for the partners.

Under an IVA, any individual owing money can propose a scheme to their creditors to pay off their debts in whole or in part. For a voluntary arrangement to be accepted, 75 per cent by value of the creditors need to agree to it.

This procedure has been used successfully for some partnerships, says Mr Hill. Serial IVAs were used for the partners of the London and Oxford branches of UK accountants Halpern & Woolf, now merged with Casson Beckman. But in general they are too cumbersome for all but the smallest partnerships.

The Halpern & Woolf case would probably have been easier, cheaper and smoother under the new system," he says.

According to Mr Chris Hughes, head of Coopers' insolvency practice, the new law will make it easier to help medium and large partner-ships, allowing some to survive which would not have done so before. It will aid professional partnerships such as solicitors, accountants and estate agents, where the

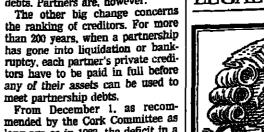
main asset of the business is the ability to earn future profits. Such businesses are worth far more alive than dead, Mr Hughes says.

But he adds the courts should allow the use of IVAs for small partnerships to continue, rather than force insolvency practitioners to use the panoply of corporate procedures for the husband-and-wife corner shop. That would be costly and of no benefit to creditors, he says.

r Hughes is also concerned by the Depart-ment of Trade and Industry's insistence that partnerships should be treated in exactly the same way as companies, so far as is possible. An administration order - an interim arrangement to give a company pro-tection from its creditors while it reorganises (often combined with a voluntary arrangement whereby creditors agree to compromise their claims) - does not provide any pro-

tection for individual shareholders. By implication, orders against partnerships will not provide any protection for partners either. But, he says, shareholders do not need protection, as they are not personally responsible for the companies'

debts. Partners are, however.



From December 1. as recommended by the Cork Committee as long ago as in 1982, the deficit in a partnership will now be a claim in each partner's own bankruptcy, and rank equally with the partner's private creditors.

Mr Hill says the effect of this change could be dramatic and private creditors may no longer get paid in full. "It means the local plumber is going to have a lower chance of getting paid if he deals with a businessman who is in part-nership than he would if he dealt with a similar businessman who is a company director," he says.

So the new rule will favour creditors of the business over those of individual partners. But, Mr Hill says, that may be the incentive needed to keep the business alive. In the case of solicitors, where banks and landlords tend to be the main creditors, it may help to persuade banks not to pull the plug on financially troubled law firms.

Will the new procedures work or be much used? If they give a part-nership with a viable underlying business time to cut out dead wood, tighten cash management and pres-ent itself as a suitable candidate for merger, then they could prove valuable, says Mr Honeyman Brown. Mr Hill says it is difficult to gauge

how much use will be made of the new rules. Insolvency practitioners are aware of several professional firms still in some difficulty, so if the new procedures get positive results, "we may find, by demon-strating we have more strings to our bow, that we encourage some partnerships to confront their financial problems and use the new procedures to restructure".

Others are not so convinced. Mr Alan Perry, a partner of DJ Freeman, says that any whisper of insolvency in a professional firm in the past has tended to lead to the rapid collapse of the business. "Apart from isolated cases, I think the jury is still out on whether, and in what circumstances, a substantial profes-sional partnership could go through an administration or a voluntary arrangement and survive," Mr Perry says.

There is also the hint that, with the recession over, the timing of the introduction of the new rules smacks of shutting the stable door after the horse has bolted. Mr Hill is not sure that matters. "There's definitely less insolvency about. But that gives us plenty of time to de-bug it before the next downturn."

LEGAL BRIEFS



Canary Wharf to appeal against TV reception ruling

anary Wharf, the London Docklands development against a High Court ruling earlier this year in an action brought by a group of Docklands residents claiming damages for interference with television reception: Canary Wharf maintains that

interference with television reception should not be an actionable nuisance under English law. If the ruling is allowed to stand it could result in similar actions against existing developments, and could threaten urban regeneration and city-centre developments, the company says. It says interference with

television reception is analogous with loss of view, citing an 1881 case that there is no right to a view under English law otherwise "there could be no great towns".

Higher salaries

Salaries for assistant solicitors in London have risen strongly, according to legal recruitment consultants Quarry Dougall. For firms with more than 25 partners, solicitors qualified for four years can earn up to £52,000 a year and those qualified for eight years, £83,500.

Solicitors' PR

The Solicitors Trust, a new solicitors' network, formed in association with Brewin Dolphin Bell Lawrie, the UK private client stockbroker, is to spend £10,000 a week on a national ress advertising campaign to

drum up business for its members. The network, which will be restricted to 200 firms, each operating within an exclusive geographical area, will concentrate on personal finance planning, general management of clients' investment portfolios and stockbroking.

PEOPLE

Pru picks Sir Martin from its board

The Prudential Corporation, Sir Edward Heath's Home Secthe UK's largest life insurer retary in the early 1970s. and biggest investment institution, is expected to announce shortly that Sir Martin Jacomb, one of the City's bestconnected merchant bankers, will take over as its non-executive chairman following next

May's annual general meeting. The expected choice of Sir Martin, chairman of Postel Investment Management and a director of the Bank of England, means that the Prudential is reverting to its traditional habit of picking a chairman from its outside non-executive directors.

Sir Brian Corby, 65, the current chairman, is unusual in that he joined the Pru in 1952 and worked his way up to be group chief executive, before becoming chairman in 1990. Sir Brian's two predecessors were Lord Hunt of Tamworth, a former Cabinet Office secretary,

Non-executive

Paddy Linaker (above), former

managing director and deputy

chairman of M&G, the City

fund manager, is taking over

as non-executive chairman of FISONS as from yesterday.

He replaces Patrick Egan,

64, executive chairman, who

in March signalled his inten-

tion to step down and was known to have been keen to

step down as soon as a replace-

Stuart Wallis, 48, the chief

executive since September,

takes over executive control of

Cedric Scroggs, was sacked in

December and the company

since shed jobs and sold off

Fisons says the changes are

ere taking place with immedi-

the company. His predecessor.

ment was in place.

directors

turns 65 next week, is a more traditional type of insurance company chairman, he differs from his predecessors at the Pru in having strong ties with the City. He worked as a barrister before joining Kleinwort Benson in 1968 where he rose to be vice-chairman and was often regarded as a contender

for the chairman's post. In 1985 he quit the familydominated merchant bank and was appointed a deputy chairman of Barclays Bank. He was the first chairman of Barclays de Zoete Wedd and is credited with making BZW one of the more successful merchant banking operations of the big

clearing banks. When he took on the chairmanship of the British Council in 1992 there was speculation that Sir Martin was preparing to bow out of City life slowly.

ate effect because "the hand-

over to Wallis has gone excep-

tionally smoothly". Linaker, 60, joined the Fisons board in July as a non-

executive director after he left

M&G. He is also a non-execu-

tive director of the TSB Group.

Basil Sellers has resigned

M Stephen Barclay at UPTON

& SOUTHERN; Alan Jones has

■ Janet Coben, a director of

Charterhouse Bank, The

Yorkshire Building Society

and BPP Holdings, at JOHN

WADDINGTON.

Robert Wade, chairman of

Leeds Group, at LEEDS &

SOCIETY; Olav Arnold has

■ Sir William Gray and David

WATER COMPANY; Laurence

Freddie Pang Hock Cheng and

Tan Kim Poh at ROSSMONT.

Sir Wilfrid Newton, former

chairman and chief executive

of London Regional Transport,

■ David Appleby at TREATT,

from which he has taken early

retirement as manufacturing

Paul Baddiley, former

Peart at HARTLEPOOLS

Bridgewater has retired.

■ Mobd Aminuddin Rouse,

finance director, at the

HOLLAS GROUP.

at MAUNSELL.

HOLBECK BUILDING

from CESTETNER

HOLDINGS.

He stepped down as deputy chairman of both Barclays Bank and Commercial Union at the end of last year and his term as a Bank of England director expires at the end of next February.

However, he joined the board of the Pru last March and retains a clutch of non-executive directorships which include Marks and Spencer, RTZ, and The Telegraph. He also took on the chairmanship of Delta last year and was last week appointed to the Nolan committee set up to examine standards of conduct in public

lan Bankier, a former senior partner of McGrigor Donald, at

■ Felda Hardymon, a partner of Bessemer Venture Partners, at LBMS. ■ Guy Whalley has resigned from HIGGS & HILL. ■ Sir Russell Fairgrieve, a post chairman of the Scottish Conservative Party, as chairman of BAIN HOGG in Scotland and Northern Ireland. ■ Ian Hartigan, retired md of BP Shipping, at BABCOCK INTERNATIONAL GROUP. ■ David Wydenback, retired

deputy chairman of BACS, at ACTive (COMPUTER SERVICES).

Tom Drake, chairman of Drakes International, at

STAKIS.

TANTK INDUSTRIES. ■ David Michels, chief executive of Stakis, at ABERFORTH SPLIT LEVEL TRUST.

Harry Westropp, chairman of Britton Group, as chairman at ABACUS GROUP on the retirement of Peter Grundy. ■ Ron Mason at M&P Group. John Ward, chairman of CBI (Scotland) and a former director of IBM's Havant plant, ■ Barry Dale, chairman of The Littlewoods Organisation, at TRIPLEX LLOYD.

■ Gerald Leahy, director general of the Association of Corporate Treasurers, at DAIWA EUROPE BANK.

Bodies politic

On the day that the new Coal Authority took over from British Coal the responsibility for owning and licensing Britain's coal assets, the government announced who the Authority's members are to be. They include Roy Lynk, the

British fant

27: --

- ----

× --

222

100

202

HISTERD 4 11

7 K 125

former president of the breakaway Union of Democratic Mineworkers from 1987 to 1993, who was himself a coalface worker for nearly 30 years. Others are Leslie Rendell, the retiring director of planning and transport of Warwickshire County Council, Tom Slee, the finance director of Pittencrieff Resources, an Edinburgh-based oil and gas company, John Cunliffe, a former senior legal adviser within The Royal Dutch/Shell Group of Companies, and Eric Hassall, a qualified chartered engineer who is currently chairman of Wardell Armstrong, mining consultants.

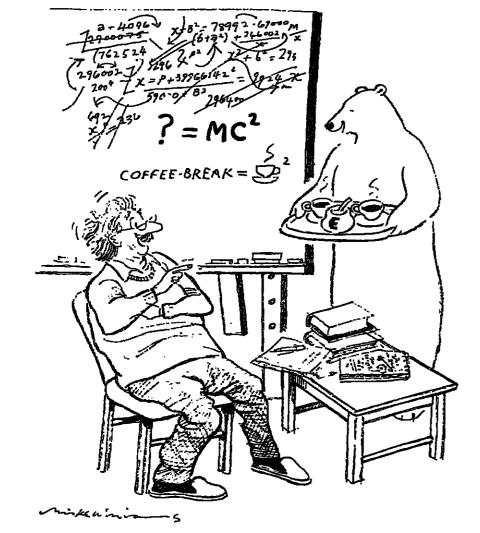
The Mansfield-based authority is headed by Sir David White, the chairman of Mansfield Breweries.

■ Maicolm Argent of British Telecom; Tom Hollobone of the International Association of Underwater Engineering Contractors; David Jones of the National Grid; Anthony McGrath of Baring Brothers: Roderick Paul of Severn Trent Water; Sue Rogers of the British Aerosol Manufacturers' Association; Jeffrey Rose of the RAC; Ian Spratling of Wolff Steel; Simon Wilkinson of the London Stock Exchange; and Phillip Wright of Sheffield Forgemasters have joined the CONFEDERATION OF BRITISH INDUSTRY. Hugh Cade, senior partner of the leisure consultancy of Touche Ross, has been appointed chairman of FOODSERVICE

CONSULTANTS SOCIETY INTERNATIONAL in Europe. ■ Peter Davis, chairman of Reed International, has been appointed a trustee of the VICTORIA AND ALBERT MUSEUM

E Stephen McQuillin, formerly revional controller in Bristol for the Department of the Environment, has been appointed director of the government office for DEVON AND CORNWALL. ■ Graham Negus, a director of

Ken Negus, has been appointed chairman of the STONE CLEANING AND SURFACE REPAIR Committee of the Stone Federation of Great



"Cream and sugar, Mr. E.?"

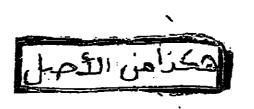
Astute investors everywhere know that there are no standard formulas for success. That's where Bank Julius Baer comes in. For over a century we have been delivering imaginative, personalized asset management services to a demanding clientele around the world. Year in and year out. In good times

and bad. Looking for an individual formula to satisfy your investment needs?

BANK JULIUS BAER

Put a Baer on your side too. THE FINE ART OF SWISS BANKING

Zurich, Bahnhafstrassa 36. CH-8010 Zurich, Tel. (01) 228 51 11; London, Bovis Maris House, Bevis Maris, London 6C3A 7NE. Tel. 071-623 4211; New York, 330 Machon Aranue, New York, N. Y. 10017, Tel. (212) 297-J600. Les Angeles, San Francisco, Palm Beach, Mentreel, Menico City, Hong Kong, Genera, Paris, Bordeaux, Frankfurt.



The Romantic spirit revisited

Opportunities have been missed in this rehang of German art, writes William Packer

nothing more tedious than to twice, for all that it might be currently the most brilliant thing in the world. cially in those cases where doubts or questions were raised by the initial experience. Autres temps, autres murs: a show rehung is in nany senses a new show, and to give such a one the benefit of those doubts is no had thing. I first saw The Romantic Spirit in German Art 1770-1990 at Edinburgh in the summer, and found it something less than the sum of its parts, fasci-nating and beautiful though many of those parts undoubtedly were. It was a case, I felt. of curatorial ambition overreaching itself. Two hundred years'-worth of any nation's art would be problem enough in the simplest chronological pre-sentation, let alone in the sustained exposition of a dense and complex argument. What a brave idea it was and, in the event, what a frustrated oppor-

The move from the grand and ample Classical spaces of the Royal Scottish Academy to the more tortuous and con-stricted plan of London's Hayward Gallery, was bound to entail a certain concentration of material and trimming down. Would it bring with it a refocusing of the show's essential rationale, and with it a more comprehensive and integrated view of the subject as a

Too late, of course, to expect that any of the more obvious and inexplicable gaps would now be plugged (we knew there was to be no Beckmann. no Schad, no Hubbuch, no Corinth, no Menzel) but surely some of the more obvious and direct comparisons across the period, which the very premise of the exhibition invites, would now be made - Beuys with Klee. Dix and Radziwill with

here is usually Rethel, Baselitz with von Marées and Bocklin, the Bauhaus practice with the early theorisings of Goethe and

Runge. Not a bit. But scholars and curators are stubborn beasts, for whom any idée fixe is fixe indeed. The bare fact is that not a single concession has been made, in terms of editing or reconsideration, in what was manifestly the weakest part of the Edinburgh showing. There the work of the last 30 years, repre-sented by a mere six artists, was shown apart in the Fruitmarket Gallery. At the Hay-ward these same six have been given the entire mezzanine and the entrance gallery, which must amount to nearly 30 per cent of the area available for exhibitions. Small wonder then at what else has been left out.

hat this says of the judg-ment and pri-orities of the organisers shouts for itself. It is but the current orthodoxy that a room-size sculptural installation by a Beuys or Polke must take precedence over any other consideration, even in so historical a context as this. I would only say that the showing on a sensible scale, and in a proper context, of Beuys, Kiefer and Baselitz, would have been entirely justifiable. As it is they stand with their three fellows as though there has been no other Deutsche Romantik art in a generation – nothing of recent East German realism, for

All that aside, the show holds many beautiful and rewarding things, albeit fewer of them, from the Friedrich landscapes at the outset, so eloquent in their gentle melancholy, to the abstracted, lively ment of the Beuys draw ings at the end. The run of early 19th century self-portraits and small paintings n stripped to the waist, Friedrich's wife leaning out of tik Festival.

"wreath-maker" sitting sad beneath the trees - is a

And what does all this tell us man art in all this time? That there was ever a soulful yearning for the ineffable, the unreachable, the sublime? That the fond quest for purity and perfection took with it. too, a more doubtful sense of destiny and foreboding? That in the dark night of the soul, darker and more troublesome spirits walk abroad - Bocklin's shaggy unicorn deep in the for-est. Dix's ravens that tumble from the winter sky? What quite does the nymph fear, in von Marées' painting, from the horseman who turns away to pluck the fruit from the dark tree?

Such questions are proposed but no answers offered. Some paintings of the Nazi period are shown, but only a few, a mere gesture towards a subject that by now requires proper treatment. Controversy flared briefly on the matter, as though by Friedrich's noble enormities of Hitlerian barba-rism were inevitable. Nonsense, of course, in any particular sense, but more general questions remain. What, if indeed it exists at all, is this peculiar quality of national sensibility, this soulful, contradictory agonising and self-searching, that distinguishes the German from the Romantik of other kinds? This exhibition. over-ambitious yet stretched as it is so thin, does little more

The Romantic Spirit in Ger-man Art 1790-1990: the Hayward Gallery, South Bank Centre, London SE1, until Jannary 8, then on to the Haus der Kunst, Munich: sponsored by Deutsche Bank, Siemens and Urenco, with assistance from Lufthansa: part of the South Bank's *Deutsche Roman*



Concert/Richard Fairman

British fanfare for Beethoven

mote new music, the London orchestras have each come up with their own solution. The Philharmonia has introduced a series entitled "Music of Today" timed at 6pm before the evening's concert - a clever idea, as it can draw on a captive audience while leaving the orchestra free to programme the standard classics in its main concerts.

So far the new music seems to have been concentrated on weekends. On Saturday a reasonable number of Beethoven-lovers, gathering for the start of the symphony cycle that night, was attracted to the earlier event three short pieces by British composers all in their mid-30s. An opening fanfare was provided by James MacMillan. Then came Mark-Anthony Turnage's jazzy romp, *Release*, and Steve Martiand's Shoulder to shoulder, a more disciplined exercise in post-Stravinskyan rhythmic battery. Each was a useful thumb-nail sketch of its creator, though not more.

None of them will have stolen the thunder from Nikolaus Harnoncourt's Beethoven cycle, which started its two-week journey that evening. For the Philharmonia, which went down in history as the orchestra that marked the Beethoven bicentenary with a symphony cycle under the revered Otto Klemperer, this was quite a jump.

On the face of it Harnoncourt is the antithesis of everything Klemperer stood for a former standard-bearer of the "authentic" brigade, tireless in overturning accepted ideas, controversial, dynamic. His Beethoven with the Chamber Orchestra of Europe, both live here in London and on record, has made a name for itself with its drive and clarity. Teamed with the full-size Philharmonia, Harnoncourt is able to replicate the drive, but the clarity does not come so easily.

The First Symphony opened with two unexpectedly thick-sounding, heavy movements. Then the scherzo and finale exploded with energy. "Authentic" Reethoven conductors -

especially Norrington - have found a Haydn-like humour in this early symphony, but as far as Harnoncourt is concerned, Beethoven bursts forth fully-formed, a tempestuous symphonic composer heading for

The "Eroica" is more Harnoncourt's piece. He relishes its determi-nation to fight until the issues are resolved. Some of the climaxes reached a high pitch of intensity. Although there were rough natches of playing, one can imagine Harnoncourt in rehearsal, knowing exactly what he wants and going over every passage until he has stamped his authority on each note. His Beethoven is entirely his own, which should make the rest of this cycle one to recommend. In that respect he is as worthy a successor to Klemperer as the Philharmonia could

Beethoven symphony cycle at the Royal Festival Hall in London and Symphony Hall in Birmingham until November 13.

Recital/John Allison

Olga Borodina sings Tchaikovsky

kovsky programme at the Wigmore Hall on Thursday launched the Maryin-sky-Kirov series of recitals that will run there until the middle of next year. Like the parallel Royal Philharmonic Orchestra-Maryinsky series, also under the artistic directorship of the Kirov's chief, Valery Gergiev, it is a celebration of St Petersburg's cultural heritage, past and present. On Thursday the "present" was personified by Borodina, who along with the soprano Galina Gorchakova

(to appear later in the series) is a leading lady of the Kirov Opera. In the space of a few years she has established herself as one of the most exciting mezzo sopranos around today, not only in the Russian repertory in which she excels; as her recent Cenerentolas at Covent Garden testified, she is not an artist to be pigeon-holed. Borodina possesses an individual-

ity of voice all too rare among her contemporaries. The sheer beauty of her tone was enough to hold the full

lga Borodina's all-Tchai- house rapt, in spite of the relatively unvaried programme. She has the burnished Slavonic glint that distinguishes Russian singers, but nothing of the "edge" that can detract from some of them; she also boasts admirable dynamic control, with wispy

pianis Even so, the first part of her recital was a little short on communication: perhaps she was relying too much on the lustre of her voice, but the dark and wonderfully lugubrious sequence of songs needed greater definition. "None but the lonely heart" – the most famous Russian song, ironically a translation from Goethe - cried out for legato phrasing: even when notes were joined, Borodina did not always seem to be thinking in long lines. She redeemed herself with seamless legato in her first encore, Pauline's aria from The Queen of Spades.

There was more variety to the second half of Borodina's programme virtually a repeat of the mezzo's recent recital disc for Philips - and she found the mood of each number,

helped by the flexible, fluent accompaniments of Semyon Skigin (replacing the announced Larisaa Gergieva). The "Ginsy girl's song" was sultry, "Gentle stars were shiring for us" evocative; she caught the bursting emotion of "The first meeting" and the eroticism of "The sun has set". Borodina put her all into the concluding "Again, as before, I am alone" - Tchaikovsky's last song, whose haunting strains reveal almost as much about the compos er's mental state during his final months as does the whole of the Pathétique Symphony. Performances of this stature make the case for Tchalkovsky as a major song com-poser, one which unfortunately still needs arguing. His output of over 100 songs is undeserving of its con-

The Maryinsky-Kirov Series, sponsored by the Regent Hotel, London and British Airways (St Petersburg), continues with recitals by Valentina Sedipova (November 16) and Irina Arkhipova (November 24).

tinuing and condescending neglect.

How to play second fiddle

isarmingly, the great Itzhak Perlman's Barbican recital on Thursday began not with a solo violin sonata, but with a keyboard sonata "with violin accor niment". That was Mozart's K.296 in C, from the transi-tion-period in the late 1780s when composers were starting to imagine that a single violin might actually do more than just accompany a harpsichord

It might have made too tame start, or have seemed at best a relaxed way for Periman to play himself in. The result was quite different. The violin's role is indeed subordinate to the piano's, and with the admirable Bruno Canino at the latter instrument there was not the slightest chance that it would dwindle against his "accompaniment". But Periman gave us a miraculous object lesson in how to play second fiddle: never overweening, always answering to the planist - but rewarding him with the most subtle and richly varied responses, even in the mostly 3-note descant of the Andante and his scrubbing, clucking accompaniment in the Rondo.

The sonata acquired vital lepths and breadth beyond anything one expected. As it turned out, the real partner-so-natas that followed – Faure's op. 13, his First, and Poulenc's only one - were less well balanced, though entirely engag-ing. Perlman was faultlessly stylish and easy; Canino, whose pianism is quick, light-ingered and very spar-ing with the damper-pedal (which Poulenc loved to excess), sounded appreciative but distinctly spidery. There is as much *elos vital* in Faure's squata as in the famous First Piano Quartet that came on its neels; here, we misted any real thrust from the bottom of the keyboard, and therefore some of the sonata's radiant, imporunate drive.

There was still plenty of art; as also in the Poulenc. The onaposer aimed to write some thing that would do justice to Ginette Neveu's tigress-powers; but tigerishness was never in his nature, and Neveu had to be content (we don't know whether she was, but Poulenc himself was dissatisfied) with his racketty, mercurial operetta-style in the outer movements, and measured sentiment in the Intermezzo. Though Canino was again too wary to allow full resonance he did was impeccably pointed and Periman devoted himself to realising the exact character of every movement, rather than exploiting their virtuoso potential.

On paper the programme looked short, and it was. Perlhowever: after the Poulenc, without much feinting, he launched briskly into five encore-size pieces – evergreen Sarasate, Kreisler and Heifetz. haunting Fauré and Stravinsky (the Berceuse and the littie "Chanson russe"). We had to be delighted, and were almost satisfied.

David Murray

International

■ AMSTERDAM

Concertgebouw Tonight: Mendelssohn's Bijah. Tomorrow, Fri (Kleine Zaal): Melos Quartet plays string quartets by Haydn, Janacek and Dvorak. Thurs evening, Sat and Sun afternoons: John Eliot Gardiner Orchestra and Chorus in works by Debussy, Kurtag, Bartok and Kodaly. Thurs, Sat (Kleine Zaal): Vermeer Quartet. Fri: Hubert Soudant conducts the Brabants Orchestra in Brahms, Bruch and Theodora Geraets. Sat evening: Andrew Lloyd Webber's Requiem. Sun evening: Ivo Pogorelich piano recital (24-hour Information service 020-875 4411 ticket reservations n20-871 8345)

Beurs van Beriage Tomorrow, Thurs: Jac van Steen conducts Netherlands Philharmonic Orchestra in works by Pijper and Ravel, with piano soloist Ronald Brautigam. Fri, Sat: Philippe Entremont conducts Netherlands Chamber Orchestra in Britten, Weill, Eisler and Anthell. Sun: Rubin Quartet plays string

quartets by Bartok, Beethoven and Debussy (020-627 0466)

Muziektheater Tomorrows Netherlands Opera gives world premiere of Louis Andriessen's new opera Rosa, with scenario and production by Peter Greenaway, and cast headed by Lyndon Terracini, (repeated Nov 5, 8, 11, 14, 17, 20, 22, 25 and 28). Thurs, Fri: Jean Cocteau's film Beauty and the Beast, with live accompaniment by the Philip Glass Ensemble (020-625 5455)

BASLE

Stadtcasino Tomorrow, Thurs: Ronald Zollman conducts Basie Symphony Orchestra in works by Liadov, d'Albert and Musorgsky/ Ravel, with cello soloist Antonio Meneses. Sun: Christian Zacharias piano recital (061-272 1176)

■ BRUSSELS

Palais des Beaux Arts Thurs: Maria Joao Pires piano recital. Fri: Yuri Simonov conducts Belgian National Orchestra in works by Rakhmaninov, Prokofiev and Beethoven (02-507

■ CHICAGO MUSIC

Lyric Opera Mirella Freni and Placido Domingo star in Giordano's Fedora tonight (repeated on Fri, next Mon and Thurs with José Cura in the tenor role). This month's repertory also includes Il barbiere di Siviglia with Frederica von Stade and Rockwell Blake, Capriccio with Felicity Lott and Canbdide directed

by Harold Prince (312-332 2244) Chicago Symphony The next concerts are on Nov 10, 11 and 12, when Lawrence Foster conducts works by Lindroth, Beethoven and

> THEATRE The Sisters Rosensweig: the national touring production of Wendy Wasserstein's hit Broadwa comedy about the mid-life reunion of three Jewish sisters from Brooklyn. Final week (Shubert 312-902 1500)

Enescu (312-435 6666)

 Angels in America: Tony Kushner's two-part epic is directed by Michael Mayer, with Jonathan Hadary as Roy Cohn (Royal George 312-988 9000)

 The Winter's Tale: Shakespeare Repertory has the Chicago market cornered on productions of the Bard's works. Artistic director Barbara Gaines has a go at his late romance (Shakespeare Repertory 312-642 2273)

Laughter on the 23rd Floor: Neil Simon's newest comedy, about the golden days of live TV comedy, is currently enjoying an open-ended run (Briar Street 312-348 4000)

GENEVA

Grand Théâtre The Bartered Bride opens next Mon for six performances. Elijah Moshinsky's ENO production has been restaged by David Ritch and will be conducted by Bohumil Gregor. The cast is headed by Valentin Prolat, Gwynne Geyer and Kristinn Sigmundsson (022-311 2311)

■ THE HAGUE

Dr Anton Philipszaal Tomorrow: Netherlands Wind Ensemble plays works by Mozart and Keuris. Sat evening, Sun afternoon: Leonid Grin conducts Hague Philharmonic Orchestra in Bruch and Dvorak, with violin soloist Yayoi Toda. Next Mon: Ivo Pogorelich piano recital (070-360

■ ROTTERDAM

De Doelen Tonight: Vermeer Quartet. Tomorrow: Yevgeny Svetlanov conducts Russian State Symphony Orchestra in works by Lladov, Tchaikovsky and Skryabin. Thurs: Ivo Pogorelich piano recital. Fri: Yoel Levi conducts Rotterdam Philharmonic Orchestra in Weber, Hindemith and Brahms, with piano soloist Emanuel Ax. Set: Carlo Domeniconi guitar recital. Mon: Combattimento Consort plays baroque and early music (010-217

■ VUENNA

Riccardo Muti conducts Roberto de Simone's production of Cosi fan tutte at Theater an der Wien tonight, Thurs, Sat, next Mon, Wed and Fri. The cast features Barbara Frittoll, elina Kasarova, Cecilia Bartoli, Michael Schade, Boje Skovhus and Alessandro Corbelli. The State Opera is closed for technical afterations till Dec 14 (58885) Neville Marriner conducts the Academy of St Martin in the Fields and Vienna Singverein in Beethoven's Missa Solemnis tonight at the Musikverein. The soloists Include Jean Rigby and Anthony

Rolfe Johnson. This week's concert programme also includes recitals by pianist Andrei Gavrilov, the Cleveland Quartet and tenor Deon

van der Walt (505 8190) Vienna's contemporary music festival, Wien Modern, runs till Nov 28, with daily performances at a variety of venues around the city. This year's featured composers are Morton Feldman, George Crumb, Helmut Lachenmann, Karl Schiske and Günter Kahowez. Claudio Abbado conducts an orchestral concert on Sun, including a Kurtag

world premiere (7124 6860) Giorgio Strehler directs a new Pirandello's The Mountain Giants opening Nov 15 (514440)

■ WASHINGTON KENNEDY CENTER

 This week's National Symphony concerts are conducted by Marin Alsop and Zdenek Macal. Alsop conducts tonight's programme of Schumann and Tchaikovsky, with cello soloist Gustav Ravinius. Macai conducts Rands, Mozart and Beethoven on Thurs, Fri, Sat and next Tues, with piano soloist Alexander Paley (202-467 4600) Washington Ballet gives performances tornomow, Thurs, Fri and Sun afternoon. The programme consists of choreographies by Balanchine, Goh and Lustig

(202-467 4600) Washington Opera opens its new season on Sat with Gounod's Faust, with Jianyl Zhang in the title role and Jeffrey Wells as Mephistopheles (repeated Nov 10, 13, 15, 18, 21 and 26). The second production is Le nozze di Figaro. opening Nov 12 (202-467 4600) THEATRE Old Times: Washington Stage

Guild presents Harold Pinter's play about power within relationships. Till Nov 20 (202-529 2084) Duet: Otho Eskin's play about what might have happened if Sarah

Bernhardt had met Eleonora Duse.

This week only at Folger Shakespeare Library (703-549 0002)

Henry IV: an adaptation of Parts I and II of Shakespeare's history plays. A Shakespeare Theater production at the Lansburgh. Final

week (202-393 2700) Artificial Jungle: the last play written by Charles Ludlam is a hilarious spoof on marriage in jeopardy. Opens next Mon at Woolly Memmoth Theater (202-393 3939)

ZURICH

Opernhaus The main event this week is the revival on Fri of Gournod's Roméo et Juliette. conducted by Serge Baudo and staged by Bernard Uzan, with a cast headed by isabelle Rey and Francisco Araiza (repeated Nov 6, 9, 11, 17, 20). Ruth Berghaus' production of Katva Kabanova receives its final performances on Thurs and Sat, with cast headed by Ana Pusar and Peter Straka. The Zurich Ballet presents choreographies by Ek, Bienert and Van Manen on Sun, and Alban Berg Quartet gives a recital next Mon (01-262 0909) Tonhalle Wolfgang Holzmair gives a

song recital tonight (01-261 1600)

ARTS GUIDE

Monday: Berlin, New York and Tuesday: Austria, Belgium, Netherlands, Switzerland, Chicago, Washington. Wednesday: France, Ger-many, Scandinavia. Thursday: Italy, Spain, Athens, London, Prague. Friday: Exhibitions Guide.

European Cable and Satellite Business TV (Central European Time) MONDAY TO FRIDAY NBC/Super Channel: FT Business Today 1330; FT Business Toright 1730, 2230

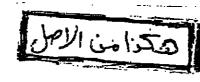
MONDAY NBC/Super Channel: FT

TUESDAY Euronews: FT Reports 0745, 1315, 1545, 1815, 2345

WEDNESDAY NBC/Super Channel: FT Reports 1230

NBC/Super Channel: FT Reports 1230 Sky News: FT Reports 0230,

SUNDAY NBC/Super Channel: FT Reports 2230 Sky News: FT Reports 0430,



begun debating the economic theory "endogenous PERSONAL growth". For a

VIEW mist from the US, it is hard to know which side in the discussion to prefer. The Labour party's shadow chancellor, Gordon Brown, seems serious in his attempts to understand and apply the idea. However, he uses it in a confused way to rationalise government intervention in the economy.

On the government side, chancellor Kenneth Clarke dwells on the funny sound of endogenous growth and depicts it as some sort of econo-babble that he need not try to understand. I suppose if it really were "indigenous growth", as he recently joked, would be correct.

With some temerity, I venture to explain the origins of endogenous growth and its

cal theory of economic growth. The neoclassical model, developed in the 1950s and 1960s, assumed that technological change was needed if growth of income per head were to be sustained in the long run. Without it, growth would slow as the returns on capital such as machines. buildings or skills diminished.

The rate of technological progress, however, could not be explained by the theory, so it was treated as an exogen influence. This was not as a matter of principle but because the necessary theoretical advances had not been made. As a consequence, the economy's long-run growth rate was exogenous: the theory could not explain what drove it.

classical model for investment and government policy in stimulating economic growth. Growth can be increased for a long time by more investment and better policies such as lower marginal tax rates, more productive infrastructure, ter enforcement of laws and contracts, price stability. But in the very long run, the neoclassical theory cannot explain what drives growth.

In the late 1980s, Paul Romer, an economist at the University of California at Berkeley, came up with a theory that appeared to explain the factors behind technological advance. He postulated that and development which led to the discovery and adoption of Lew technologies, products and

Party politics of growth



ideas. By explaining the rate of technological progress in eco-nomic terms, the factors behind a country's long-run growth rate were endogenous, contained within the model. A crucial element in techno-

logical progress in this theory was the reward given to innovators. In the absence of some prize, would-be entrepreneurs have no incentive to carry out costly and often unsucce research projects. Typically, the reward is a temporary period of monopoly power, dur-ing which a new product or the fruits of an improved technology can be priced above the competitive level.

This process is clear for pharmaceuticals, where discov-eries are protected for a period by patenting - a fact that appears to escape US health reformers such as Hillary Clinton. She wants to force compepanies that produce successful drugs without worrying about whether any new drugs would ever be developed.

In Romer's model, the growth rate may be lower than is desirable and there may be a role for government in promoting growth. Many observers have taken this conclusion as a

licence to advocate government intervention, such as trade restrictions, support for favoured industries and regulation of the labour market. In fact, the main policy implications from the endoge-

nous growth model are that the government should support basic research (especially that universities!) and take a more favourable view of monopoly in high-growth sectors. ome analysis by endog

enous growth theorists suggests that many kinds of government intervention - such as industrial policies aimed at picking and subsidising technological winners, distortions of international trade, and restrictions of labour markets - are especially damaging because they reduce long-term growth rates. Endogenous growth theory cannot be used to justify mini-mum wage rates, strong labour unions, housing subsidies or rge welfare payments.

From an empirical stand-point, the most successful framework for understanding growth has proved to be a com-bination of the new, endogenous growth theory with the

movement requires four

years of continuous work to

bring to absolute perfection.

we will take four years. The

is unlike any other. A watch

result will be a watch that

that conveys quality from

first glance and first touch.

A watch with a distinction:

generation after generation

it has been worn, loved and

collected by those who are

those who will only accept

the best. For the day that

you take delivery of your

Patek Philippe, you will have

acquired the best. Your watch

will be a masterpiece, quietly

reflecting your own values.

A watch that was made to

be treasured.

very difficult to please;

For more than a century and a half, Patek Philippe has been known as

differently. It is made using skills and techniques that others have lost

or forgotten. It is made with attention to detail very few people would

notice. It is made, we have to admit, with a total disregard for time. If

a particular Patek Philippe

the finest watch in the world. The reason is very simple. It is made

older, neoclassical model. The new theory explains the growth performance of techno-logical leaders; in particular, why these countries - and therefore the world as a whole - can grow for very long periods without tending to slow down. The older model shows how lagging countries can catch up by accumulating capi-tal and copying the new technologies developed elsewhere. Statistical analysis of data from about 100 countries from

1960 to 1990 reveals a number of variables that influence the growth rate of real GDP per head. The growth rate tends to be higher if the government protects property rights, maintains free markets and spends little on non-productive con-sumption. Also helpful are high levels of human capital in the forms of education and

health, and low fertility rates. More public investment in infrastructure such as transport and communications may be useful. But the present evidence indicates that returns are typically no higher than those from private investment If two countries pursue similar policies, the country that starts with a lower level of real

GDP per head is likely to grow faster. In other words, if a poor country can maintain good policies and accumulate a rea able level of human capital, then it tends to catch up with the richer countries (as has happened with east Asian tigers such as South Korea and Taiwan). However, countries are likely to remain poor if their governments distort markets and fail to maintain prop-

Overall, the new theory and empirical work on economic growth supports the general thrust of the economic policies such as privatisation and deregulation undertaken by the Tories during their long tenure in office. Thus, it is all the more surprising that chancellor Clarke chooses to ridicule this recent research with anti-intellectual jokes.

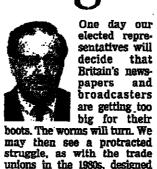
Even worse are the remarks of UK trade and industry secretary Michael Heseltine. Who apparently referred to endogenous growth as Balls, in a reference to Edward Balls, Gordon Brown's economic adviser suppose that I will never derstand British humour.

Robert J. Barro

The author is professor of economics at Harvard University currently on leave as Houblon Norman Research Fellow at the Bank of England

Joe Rogaly

High noon for the media



and

may then see a protracted struggle, as with the trade unions in the 1980s, designed to put the media in their place A future government – it could be the Conservatives, but it is more likely to be Labour might manipulate cross-owner-ship rules, codify the activities of self-regulatory bodies, impose a right of reply, or introduce laws safeguarding individual privacy and impos-ing severe penalties for jour-nalists who obtain information by deception. Blueprints for such legal weapons, and oth-ers, lie in Whitehall files. Their deployment is the stuff of politicians' everyday fantasies.

Only the courage is lacking. Not everyone sees a need to crunch us. The most skilful practitioners understand that we are easily seduced. Mr Tony Blair, the Labour leader, is a sophisticate who knows how to influence reporters and commentators alike. So do some Conservative bigwies such as the foreign secretary and the chancellor, neither of whom could argue convincingly that the prime minister is a consummate master of the art. Against that, your average run-of-the-mill Labour politician deeply mistrusts the media. Most Conservative

members of parliament are angered by what they regard as its muck-raking. Certain ministers are afraid of what we might say, some of them with reason. Since Mr John Major became prime min-ister his colleagues have clunked over like ninepins, usually following the publica-

tion of details about this or

that lapse and always after a period during which No 10 Downing Street had intimated that so and so had the personal backing of the PM. One or two were fired simply because they were bad at their jobs. I would not seek to differentiate between these categories. Most of those concerned were small fry, their ill fortune best forgot-. Yet some – Mellor, Lamont, Patten, to take but three -

live on in our memories. What links them all, sharks and piranhas alike, is that they can be said to have been "brought down by the media." I place the phrase in quotation

marks, because it was of course their own behaviour, Politicians would or inept management of their departments, that destroyed their careers it is true that Mr Major's main in the excuse for disperformance of missing Mr Norman Lam-ont as chanceltheir public duties

lor was the latter's lack of presentational skills, but that is an exception. The junior ministers lost to the public service over the past fortnight were undoubtedly missed by the media. The first resigned voluntarily. acknowledging fault. The sec-ond was obliged to go, in the government to be unsub-stantiated and unfounded. The prime minister's defence

of his ministry might have been more robust if he had commanded a three-figure majority, or if his party enjoyed more public support. Alas, the Conservatives' overall lead in the Commons is heading for the lower teens and sinking. In consequence, disgruntled back-benchers exercise disproportionate power. Mr Major must balance

the demands of the right and the Eurosceptics against his comprehension of what the electorate expects. Conservative newspapers that helped him to victory in April 1992 have turned against him. Some, such as the Sun, occasionally appear to be flirting with Labour, others, such as the Sunday Telegraph, hold

him in contempt. The primary source of the most recent spate of discomfit-ing stories about the Tory administration has been The Guardian. In pursuing one inquiry, Mr Peter Preston, its editor, used doctored parlia-

fuge, to protect

his sources. No

another head-

deception was involved, he use any privacy says. Mr Preslaw as a shelter edged yester-day that "it behind which to hide derelictions would been better in retrospect to

ing on the note-Speaker of the House has asked for a report. Labour says that The Guardian was wrong. The Tories have gleefully pointed their fingers at its edi-tor. Even the mortally wounded may strike back when they see a weak spot in their opponent's defences.

Yet it would be surprising if this single incident became the trigger for a government attempt to roll back the power of the media. Earlier this year the Sunday Times used its own tricks of the trade to entrap a pair of minnows, both backbench Conservative MPs, in an inquiry into the receipt of cash for asking parliamentary questions. Its methods were upheld by the newspaper industry's self-regulating Press Com-plaints Commission. Against that, a recent poll by the Assocates some 80 per cent of backbenchers of all parties think the PCC is a failure, while more than half would replace

it with a statutory body. My own view has changed. I have previously argued in favour of a privacy law, incorporating Article 8 of the European Convention on Human Rights – "Everyone has the right to respect for his private and family life, his home and his correspondence." Canada. France, Germany, Denmark and the Netherlands have such laws. Wronged individuals would be able to sue, as they do now for libel. There would be a public interest defence. Acceptance by the media of such a bill could be traded for

a Freedom of Information act. This argument has been eroded by the co-operation of many individuals, from royalty downwards, in the destruction of their own privacy. Never mind the public interest defence. Politicians would use any privacy law as a shelter behind which they could hide derelictions in their performance of their public duties The freedom of information act is wishful thinking. The Conservatives refuse it, and while Labour promises one we must await the fine print before pro-

nouncing it worthwhile. It would, however, be a mis-take to conclude that because the government has not so far put forward a press control bill it will never do so. Sir David Calcutt, who offered a list of proposals in an official report four years ago, recently ques-tioned whether there was any political will to implement his recommendations. He remem hers the statements of past ministers, the warning that the media was in "last chance saloon". It may not be there at the moment, not while our gunslingers have the saloon every roof. But one day...

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SEI 9HL

local surprise

From Mr Mike Hancock. Sir, You are guite right to report that the Local Government Commission's proposal for a unitary council for New Forest came as a surprise - an

unwelcome surprise. Your report perhaps lets us guess at how the commission came to make what, on any reasoned consideration of the facts, seems completely the

You report Sir John Banham, the commission chair-man, as saying that members were swayed by "overwhelm-ing support for a unitary authority independent of Hampshire, with 60 per cent of residents in the New Forest in favour of this option". He must have meant "respondents" those writing to the commis-sion with views - because there is no "overwhelming sup-

About 6 per cent of the New Forest electorate sent com-ments to the commission. Some 4,700 people, 3.5 per cent of the electorate, supported the commission's second-choice for an all-unitary structure of local government replacing county and district councils throughout Hampshire. A separate survey for the commission showed, from a sample of New Forest residents, that a third wanted no change and only 37 per cent, not 60 per cent, wanted a unitary structure.

The changes proposed by the commission would add up to £5m a year, every year, to the cost of running local government in Hampshire. That is what it costs to run two big secondary schools a year. On what it costs to run two big secondary schools a year. On top of that, council taxpayers would have to find up to £12m to pay the one-off costs of making the change. That is more or less what it costs to build a new secondary school. And the commission's report accepts the problems the councils will face in trying to prevent ser-vice quality falling.

If Sir John and the commis-

sion have so misinterpreted the data before them, it is no wonder we have a recommen-dation which many Hampshire residents find so unacceptable

The simple facts are that of the 55,000 comments made to the commission, more than half supported the commission's earlier proposal for no and Southampton. Another 8,500 wanted no change at all That, Sir John, is the voice of the clear majority! Mike Hancock,

Hampshire County Council, The Castle.

Unwelcome | Sharpening of public | Government scrutiny is vital

From Jon Stern and

Richard Price. Sir, The Fundamental Expenditure Review of the Treasury has inevitably generated wide-spread debate. As ex-Treasury micro-economists now working as economic consultants in the private sector, we strongly endorse your concerns (Leader. October 20) about the implications for public expenditure

In essence, there are two ways of effectively co public expenditure.

The first is the traditional British way in which a central agency (the Treasury) controls all aspects of public expenditure by active and detailed monitoring and control over the composition, as well as the volume, of all public spending

The second way is to decentralise, setting overall financial targets but opting out of monitoring the composition of expenditure. This requires setting and enforcing hard budget constraints on all public sector bodies. Those that cannot cover their costs from the revenues allocated from the centre then have either to cut back their activities, to increase revenues, or to borrow on capital markets without central government guarantees. This is the model on which states and local authorities operate in the US and the Länder operate in

As a relatively centralised, unitary country, Britain has consistently opted for the for-mer model and the Treasury has traditionally been its strongest advocate. The Fundamen tal Review, however, marks a significant shift towards the decentralised model. The main worry must be that devolving responsibilities as proposed

From Mr Roddy Campbell. Sir, Christopher Jackson, (Letters, October 26) correctly

states that moving to irrevoca-

ble fixed exchange rates is a

more attractive option in many

ways than moving straight to a single currency. Cocaine is also

a lower health risk than

heroin, and I suspect he would find the medium-term effects of either fix unpalat-

The basic economic argu-

ment is clear, and cannot be repeated too often. It is that

fixed exchange rates in an

environment of less than free

capital and labour markets,

both in mobility and price,

worsen regional recessions.

An unpalatable fix for

some European regions

will not, in practice, be accom-panied by an effective harden-ing of budget constraints on government departments,

gencies and quangos.
Your leader is also right to point to the Treasury's role in dealing with departmental advocacy of vested interests. Your recent article ("Helicop-ter makers in a spin", October 6) on important forthcoming defence procurement decisions, demonstrated the pressures rerful industria

The Treasury has played an important role in forcing proper examination of the eco-nomic choices underlying such decisions. It would be a big loss if the proposed Treasury functional and staff cutbacks led to a reduction in the power of the appraisal process and an

increase in the influence of "do-it-yourself" economics. As the chancellor has accepted the review as the basis for action, the key question is how to ensure that these potential dangers are minimised. The answer must involve increased public scru-tiny. In particular, the role of systematic evaluation becomes even more important in the new system, both in assessing the economic effectiveness of programmes and in comparing outcomes against their objec-

Progress in public scrutiny will be a big factor in deter-mining how far private sector financial disciplines can be applied to the public sector including the decentralised bodies developing in areas such as health and education. Jon Stern and Richard Price, National Economic Research Associates, 15 Stratford Place, London WIN 9AF

Europe's labour markets are

The introduction of fixed

rates can only make that chal-lenge harder.

As Germany will not accept

a common currency, but would accept fixed rates, I expect we will get them, and the

unemployed somewhere in Europe will be paying for Mr Jackson's "relief from

the cost and fuss of changing

50 Learnington Road Villas,

currencies".

Roddy Campbell,

far from free, and we are facing a big employment chal-lenge now and for the foreseea-ble future.

of UK is out of the loop From Judith Church, MP. Sir, Your article, "France

ponders superhighway gam-ble" (October 27), raises important issues which need to addressed in

France Télécom's reluctance to accept the central financial role recommended in Mr Thery's report is in direct contrast to the position of British leading players in the information superhighway dialogue in the UK and has already made a commitment to a £15bn investment in the infra-

The technology, the financial means and, crucially, the vision to develop a UK plc information superhighway exist, but our main obstacle is the government's lack of a strategic policy.

As stated in the trade and industry committee's report on optical fibre networks, pub-lished in July: "There appears to be little sense of urgency and a lack of a clear sense of vision about what broadband communications could do for the UK and its

We need urgent action to address the implications of the developing global information infrastructure and the role of the private sector in this process. Removal of the asymmetry principle is one example of

what is needed.

The telecommunications industry waits for no person. Labour recognises that government has a crucial responsibility in propelling UK plc into the lead in the development of a European and global infor-mation infrastructure. At the moment it's on everyone's agenda except this govern-Judith Church,

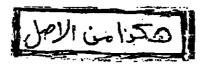
House of Commons, London SWIA QAA

A nod does not suffice as the law

From Mr K S Francis.
Sir, Surely if Lloyd's is to recover monies receivable by Names arising from successful court cases against member's agents, and so forth, it should not be permitted to do so on the nod of the secretary of state for trade and industry but only following new legislation and proper open debate? K S Francis, 51 Sole Farm Road, Great Bookham,

PATEK PHILIPPE **GENEVE**

Exclusive Patek Philippe showroom: 15 New Bond Street, Landon-Asprey, 165 New Bond Street, Landon Garrard & Co Ltd. 112 Regent Street, London - George Praguell 1.td. 5 Wood Suset, Smaford-upon-Avon Hamilton & Inches Ltd. 87 George Street, Edinburgh Hettich Ltd. 1 King Street, Jersey, Channel Islands John H. Lann Ltel, Queen's Arcade, Belfast - Weir & Sons Ltel, 96-99 Grafton Street, 1-3 Wisklow Street, Dublin Watches of Switzerland - Scheeterl Branches Nationwide



FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL Tel: 071-873 3000 Telex: 922186 Fax: 071-407 5700 Tuesday November 1 1994

Mandate for no change

In a week's time, Americans will go to the polls after the most mean-spirited mid-term elections in living memory. The signs are that, thanks to President Bill Clinton's recent successes abroad, the outcome for the Democratic party will be less cataclysmic than many feared. But the Congress that emerges looks unlikely to be equal to the challenges facing the country in the years ahead.

A month ago, many were pre-dicting historic victories for the Republican party in the elections on November 8. Party leaders spoke, not only of regaining control of the Senate, but of overturning the Democrats' 50-year-old majority in the House of Representatives. The elections, they claimed, had become a national referendum on Mr Clinton, and the president - and his party - were losing.

- Mr Clinton's creditable showing in the Middle East and elsewhere appears to have turned the anti-Democratic tide a little. But it is a reflection of the low expectations surrounding the campaign that retaining control of the House - if not the Senate - would now be seen as something of a victory for

24

ernment

IX is out

te loop

10 (10 回答 10 回 10

E DUS

the Democrat camp. It is hard to pin the voters' discontent on the economy. Three and a half years into recovery, the country is materially better off than it has been for some time. Yet rather than reward Democrats for this performance, the electorate has seemed determined to punish them for the government's inabil-ity to solve the country's deeper social problems, such as the high crime rate and the dismal state of

In the face of this anti-government mood, Mr Clinton has increasingly turned towards for-eign policy in recent months: the one domain in which government activism is not now associated with failure. Candidates in the field have not had this option. For the most part, they have simply been driven to trying to convince voters that they are as down on Washington as the country at

Uncompromising climate Clearly, incumbent Democrat

with a moderate, more pragmatic, conception, of what government might hope to achieve through social and other legislation. In many regions, the candidates that have thrived have been those on the extreme right, who reject moderate solutions out of hand.

Bipartisan coalitions

This kind of polarisation was already much in evidence this summer, in the Republicans' com-prehensive blocking of health care legislation. But, judged by the campaign, the 104th Congress will be even less inclined to form bipartisan coalitions to get legisla-

What does this imply for the rest of the world? In the short term, the events of the past few months make it even more crucial that the "lame-duck" sitting of the current Congress, in the period just after the election, is able to ratify the outcome of the Uruguay Round of the Gatt. Whatever the difficulties this presents, muster-ing the required votes next year could be harder still. In the longer term, there is still

a chance that Mr Clinton will return to the question of health care reform. But he will have little chance of passing the kind of comprehensive reform he promised in 1992. More incremental measures may be possible, along, perhaps, with a package of welfare reforms which might muster sufficient Respublican support.

The true casualty of these elec tions, however, is the prospect for reforms in areas of US govern ment which require more ambitions bipartisan coalition-building in Congress: above all, the country's bloated system of entitlements. Neither the Republicans nor the Democrats have proposed suggestions for reforming that system during the campaign which make any sense. Yet without fundamental - and politically unpopular - tax increases and cuts in spending, the federal budget deficit will begin to rise again in only a few years time. The US electorate has spent

recent months bemoaning the failings of "big" government. For all that, they seem determined to elect a new Congress which is sinsenators and congressmen fare guiarly ill-equipped, either to poorly in such an uncompromising climate. But so does anyone any smaller.

A competitive defence base

From the British ministry of defence comes the sound of arms being heavily twisted. Both British Aerospace and GEC are lobbying hard for their respective bids for the VSEL submarine yard in Barrow to receive official backing. BAe's case is that, since it does not currently own a shipyard, its bid presents no competition difficulties. However, it thinks that GEC's bid would generate an unnecessary monopoly, since GEC owns Yarrow on the Clyde, the only other big warship yard in the UK.

GEC argues that, in practice, the pattern of warship orders likely over the next 10 years means that there would be little competition even if the two yards were owned by different companies. It therefore makes little difference if the two yards are owned by one company.

The ministry of defence's position is disturbingly obscure. It has quite rightly championed the cause of competition in defence procurement for the past decade, saying that the policy is "funda-mental to achieving value for-money". Until recently it was also saying privately that it would not look favourably on a GEC bid for VSEL for precisely those reasons. As soon as the bids appeared, however, the ministry became coy. All it will say is that the issue will be decided by the competition authorities - in this case the Office of Fair Trading - and that its submissions to the OFT will be confidential. Yet since the MoD is the only UK defence customer, its

view will decide the issue. So,

unhappily, secret submissions to

the OFT may, or may not, mask a

policy shift on competition in pro-

Monopoly supplier

In deciding its position the ministry will have to weigh the extent to which the necessary consolidation of the defence industry following the end of the cold war should be balanced against maintaining as much competition as possible in the narrow case of the bids for VNEL the case for a reduction in competition is not obvious Since GEC will undoubtedly have to guarantee the future of both yands, creating a monop-oly supplier will not lead to ration-alisation and cost savings. The MoD thus has little reason to

upand its arguments in favour of maintaining competition by allowing the GEC bid to proceed.

The underlying problem is that the MoD, rather than seizing the initiative, is allowing defence com-petition policy to evolve in a purely reactive fashion. The rapid decline in US and European defence spending requires a dras-tic change in the structure of defence industries. This is already happening in the US, but is proving regrettably slow to materialise in Europe, largely because European governments are reluctant to allow cross-border rationalisation.

Argue strongly

The UK is uniquely well placed to influence this process. If it chose, it could argue strongly with other EU governments for a more open market for Europe's defence manufacturers, giving them the freedom to choose how to rationalise in a market almost as large as that of the US. Instead, the MoD has sat back and argued that the market should decide.

The trouble is that the market

in defence procurement is far from free. If it were, many companies would probably opt to rationalise within business sectors. That might produce fewer, Europe-wide missile, aircraft and electronics manufacturers, rather than thinlyspread national companies. Provided such specialist companies were prepared to follow commercial logic in their rationalisation, as opposed to political pressure, they could operate at lower cost than national defence champions. They might also become genuinely competitive against the giant US firms now emerging in contrast with the current situation in which uncompetitive and underresourced national companies are awarded contracts for purely polit-

The MoD's competition policy over the past 10 years points clearly towards a rationalised European defence industry with increasing two-way competition between US and European products. The risk of the current drift in UK policy is that ad hoc decisions on specific cases will give rise to an ill-conceived, nationallybased industrial structure. This will neither give the MoD best value for money nor be able to compete successfully on the world

henever the fight-ing in former Yugoslavia subsides, more comfortable parts of the world forget about it with relief. They have largely done so since February, when a ceasefire brought a minimum of normality to Sara-

But in the last few days, that complacency has been shattered. In its most spectacular offensive since the war in Bosnia-Hercegovina began nearly three years ago, the Moslem-led government army has burst out of its position near the enclave of Bihac and captured over 100 square miles of territory.

It has put to flight thousands of Serb soldiers and civilians, and threatened the Serb-held towns of Bosanska Krupa and Bosanski Petrovac. There have also been Bosnian government offensives to the south and west of Sarajevo, and the city's suburbs have again been shelled.

UN peacekeepers have come under shellfire from government soldiers who refuse to leave the strategic Mount Igman, outside Sarajevo. From the Serbs, they have faced kidnappings and the obstruction of fuel deliveries to eastern Bosnia. UN officials – who need a mini-

mum of co-operation from all parties to function effectively - admit to being near the the end of their tether. Yet winding down their giant operation in former Yugoslavia, which involves 40,000 troops from 36 countries, may turn out to be more disastrous than retaining

"Our peacekeeping effort has continually been tested by the warring parties, and in recent weeks the conflict has intensified," says Mr Michael Williams, chief spokesman for the UN in Zagreb.

In theory, the peacekeeping operation was given more teeth by the UN, which last week agreed tougher procedures for air strikes with Nato, which is responsible for policing the Bosnian skies. But Nato's insistence that any bombing raids be on a much larger scale than before could make UN commanders more reluctant to invoke air power. And it would be almost impossible politically to use Nato aircraft against the Bosnian government army, which enjoys strong US sup-

In the diplomatic arena the picture is scarcely more encouraging, with divisions between the five nations in the international contact group on Bosnia which is leading efforts to arrange a peaceful settlement. The key to progress was supposed to be the unity of the group's nembers: the US, Russia, the UK, France and Germany.

But now they are divided over a US-sponsored resolution in the UN Security Council that would authorise arms supplies to Bosnia in six months - unless the Serbs accept a peace plan. If the resolution is pushed to a vote, it will be blocked by UK and French abstentions and possibly a Russian veto.

Worse diplomatic disarray has been avoided with the dropping of Washington's demand for an immediate lifting of the arms embargo against Bosnia. But the ability of the five to act together with credi-

Both the renewed fighting, and the crumbling of international consensus, bring closer the spectre that haunts every actor in the Bosnian drama: a UN pull-out in what military planners euphemistically describe as "non-benign" conditions - under fire from one or more of the warring factions. Nato's plans for this scenario run to thousands of pages; they remain secret, but are assumed to envisage hundreds of casualties and the temporary deployment of up to 20,000 extra ground forces to cover the with-

drawal It is hard to imagine how Nato could assemble such numbers at speed without including some US troops. It is, however, even harder to imagine how the US could agree to the inclusion of their armed forces in view of the American electorate's acute reluctance to accept

A turn for the worse in Bosnia

Bruce Clark explains the UN dilemma and the diplomatic disarray provoked by the Moslem army offensive

losses in foreign wars. Either way, a bloody withdrawal from Bosnia could shake both transatlantic relations, and the international order, to their foundations. This, in turn, would cloud prospects for concerted diplomatic action over a host of other regional problems, from Iraq to Indochina.

The pull-out of UN peacekeepers could also leave behind a bloodbath in Bosnia in which the death toll would far exceed the 200,000 or so

already chalked up.

If the events of recent days do portend a serious turn for the worse, it is quite possible - strange as this may sound - that historians will view the last eight months as a period of success in international policy towards the region.

While each of the outside powers involved in Bosnia has its own strategic aims, there are four goals to which all are committed: • The prevention of a humanitar-

ian catastrophe by distributing aid, and sheltering civilians from the worst effects of the war. The geographical containment of the fighting, so that it does not

spread through ex-Yugoslavia and

the Balkans. • The avoidance of any breakdown in relations between the world's leading powers because of disagreement over Bosnia.

• The creation, if possible, of conditions for a long-term settlement which is viable and not too unjust. The four objectives have been difficult to pursue simultaneously, because they often point in contradictory directions. It is not possible, for example, to feed civilians without feeding armies, which prolongs the fighting.

However, if there is no progress towards the fourth aim of a settlement, the successes on the first two will be compromised, because the political will to maintain the huge humanitarian relief effort and vigorous preventive diplomacy will start to flag. Conversely, if one outside power intervenes unilaterally to promote the fourth goal - by altering the battle lines and impos ing what it considers to be a just outcome - the other three goals could be left in ruins.

That is what the British, French and Russians will be telling the US at this week's Security Council debate: far from bringing peace to Bosnia, the creation of a "level killing field" through arms deliveries to the Bosnian government could trigger a new humanita ian nightmare and bitter international

Compared with the disasters which might have occurred, the world community has achievements to its credit, at least on the first three goals. With the completion last week of the 10,000th aid flight to Sarajevo, the UN can point to some success in meeting the first

There has also been success on the second front: thanks to (mainly US) diplomacy, the Serb-Moslem stand-off in Bosnia has not so far triggered an even bigger conflict to the south between the Serbs and the mainly Moslem Albanians.

Last July, when the five contact group nations threw their weight behind a new peace plan for Bosnia, they were ostensibly pursuing the fourth objective, a long-term settlement. Yet in practice, the peace plan - which would allocate 51 per cent of Bosnia's territory to a Moslem-Croat federation and the rest to





the Serbs - had much more to do with the third goal of maintaining international consensus. Rather than having any practical

effect, the peace proposal has served as a kind of totem to which all the outside powers can pay homage, and a standard by which the intentions of the parties on the ground can be judged. Serbia's President Slobodan Mil-

The renewed fighting and the crumbling of international consensus bring the possibility of a UN pull-out closer

osevic has emerged triumphantly from opprobrium by accepting the plan, while his rival, the Bosnian Serb leader Mr Radovan Karadzic, has fallen further into disrepute by saying no.

Few close observers of the conflict see the slightest chance of the warring parties agreeing to implement the plan, which would require the Bosnian Serbs to give up 20 per

cent of the land they have staked out and largely "ethnically cleansed" of non-Serbs.

Bosnia's Moslem leaders have accepted the map, albeit reluctantly. But they admit that they have accepted it only because they see no risk of having to implement their Serb adversaries were always bound to say no.

There is little prospect that outside powers will come up with a new map. The best hope is that the parties will agree among themselves on adjusting the plan, after exhausting all military options.

But even if the contact group's peace plan is dead, there have been some encouraging hints of progress towards a comprehensive settlement in the former Yugoslavia. One sign is the covert diplomacy

that has been going on since the summer, including a secret meeting between army commanders from Belgrade and Zagreb.

Efforts towards a peace settlement in Croatia - based on full diplomatic recognition between Belgrade and Zagreb, and some autonomy for the Serb-dominated areas of Croatia - appear to be moving into higher gear. After months of intricate negotiations, involving

the US and Russian embassies in the US and Russian embassies in Zagreb and envoys of the European Union and the UN, it was announced last week that Zagreb and Belgrade will hold regular meetings at foreign minister level. Serb-Croat reconciliation does not automatically bring peace in Bosnia closer. Whenever Serbs and Croats talk, the Moslems become nervous, on the understandable ground that the most likely sphiect of these dis-

the most likely subject of these discussions is carving up Bosnia. But for the present, the Croat-

Moslem federation agreement stitched together last February under strong international pressure is holding. In Mostar, which had its Moslem eastern half subjected to a ruthless siege by the Croats last year, about 30 hard-pressed bureaucrats from the EU are working, with modest success, to promote reconciliation and ensure that basic municipal functions are carried out.

In return for international respectability, Croatia's leaders have set aside aspirations to carve out a slice of Bosnia for themselves. President Milosevic, for similar reasons, seems willing in principle to recognise the territorial integrity of both Bosnia and Croatia.

dvances such as these have made the recent French proposal for a meeting between the presidents of Bosnia, Croatia and Serbia more plausible This would not mean an instant end to all fighting; but if it allowed the broad lines of a settlement in for-mer Yugoslavia to be laid out, it would be a big step forward. At the very least, the diplomatic efforts of recent months have put in place building bricks for a settlement to

The latest upsurge in fighting might scupper that process. How-ever, it might just conceivably help it along. The Bosnian Serbs' current reverses could make them more willing to sue for peace on terms acceptable to the rest of the world. Some observers in Belgrade believe that Mr Milosevic would not be too unhappy to see the power base of his rival, Mr Karadzic, confined to eastern. Bosnia. This could happen if the Bosnian Serbs contin-ued to suffer military defeats in the far north of the republic, and the political friends of Mr Milosevic gained the upper hand in the Serbs stronghold of Banja Luka.

A bleaker scanarios however, is that the Bosnian Serbs will be so badly humiliated that politicians in Belgrade, and perhaps Moscow, find themselves under irresistible moral pressure to come to their aid.

Since his apparent conversion to the cause of a peaceful settlement last August, Mr Milosevic has qued his authoritarian state machine, and his control of the media, to insulate himself from nationalist pressures to support the Bosnian Serbs. But the commanders of the Serb-dominated Yugoslav army may not be prepared to stand by indefinitely if their brother officers in the Bosnian Serb forces are subjected to a series of humiliating setbacks. Another imponderable is the

political balance in Russia, where the government might be tempted into pursuing a more stridently pro-Serb policy as a way of parrying hard-line nationalist opposition to its economic programme.

That would end all hope of keep ing the contact group together. The outside powers involved in Bosnia might then find the only thing they could agree on was the level of military support each gave to its own friends: the US to the Bosnian government, the Russians to the Serbs.

The last such agreement was in 1989, when Presidents Bush and Gorbachev settled on the deadly principle of "positive symmetry" or balanced arms supplies to their protégés - in Afghanistan.

As a means of settling a civil war, that is not a happy precedent. While the deal helped take the Afghan issue off the international agenda, it also stoked the fighting that reduced much of Kabul to smouldering rubble. And unlike the con-flict in Afghanistan, an escalating war by proxy in the former Yugoslavia would be hard to restrict to a single country.

OBSERVER

Steady Eddie vs Villains

■ When will Britain next raise its interest rates? The financial markets were badly caught out by September's rise - so they will be watching tomorrow's meeting between Kenneth Clarke, chancellor of the exchequer, and the Bank of England's Eddie George with more than usual interest.

But City analysts might just as well look to football team Aston Villa's score sheet for guidance, judging by Eddie George's comments to a CBI dinner in Birmingham last week. The Bank's economists appear to

have moved on from testing correlations between productivity in the Black Country and the performance of the region's premier football team. They are now concentrating on the influence of the Villains (as the team is known) on UK monetary policy. Three years ago, Eddie George's

predecessor noted that he had reduced interest rates more times than Villa had won home games. Now George has hinted there will be no interest rate rise until Villa wins a home game. Assuming tonight's match (against Trabzonspor) does not

count - because it is a non-league

United. On past form that should

when Villa meets Manchester

game - the next key date is Sunday,

mean little chance of any monetary

tightening for at least a week. Then again, as Goldman Sachs' Gavyn Davies found to his cost seven weeks ago, sticking one's neck out on interest rates can be a foolish business when dealing with

Chimes at midnight ■ Something seismic seems to be under way in London. First some

areas round Heathrow start to collapse, resulting in underground trains not stopping at terminal four for the next few weeks. Now one of London's best-known landmarks, Big Ben, has slipped,

albeit almost imperceptibly. A 3mm shift on the clock's east face has been detected by electronic sensors caused by the natural sway of tall buildings and by tidal movements on the river Thames. With all this talk of (metaphorical) cracks appearing in

the fabric of the UK establishment.

it's just a trifle spooky to see some

real ones too. Railroaded

Running a company during a heated takeover battle sure is stressful. It seems to have taken a particularly tough toll on Drew Lewis, chairman of Union Pacific, battling to win control of rival US railroad operator Santa Fe Pacific. On Sunday, after raising its bid for Santa Fe to \$3.8bn to top

ACME Publishers BANX

'I'm the doorman at the Ritz and I've written my memoirs'

Burlington Northern's rival offer of \$3.2bn, Union Pacific announced that Lewis, a former transportation secretary in the Reagan administration, is taking a leave of four to six weeks to enter an alcohol-treatment programme. Will this affect the outcome of the

bid struggle? Union Pacific will clearly miss him; no fewer than three senior executives are taking on Lewis's duties in his absence.

Sporting life

■ US sports hacks are having a bad time. What with industrial disputes prematurely ending the baseball

season and scrapping the ice hockey, what do they cover? In place of the World Series, Sports Illustrated splashed the

Japanese baseball championship. Better than a previous edition. packed with 11 pages of . . . rodeo clowns. Television is hit hardest. ESPN, the sports network, has been reduced to dog shows, ten-pin bowling and surfing from Hawaii. The barrel has now been scraped, with the American Double Dutch Rope Jumping championship. What's left? Goldfish racing from

Puffed out

El Paso?

■ When visiting Japanese emperor Akihito, please remember not to take him a carton of duty-free cigarettes as a token of your esteem. The anti-smoking lobby persuaded the imperial household that recipients of Japanese national awards should no longer get cigarettes but instead a coffee-table book of photographs of Akihito and other members of the imperial family. But isn't the horse-trading involved in such awards conducted - as anywhere - in the proverbial smoke-filled rooms?

PIA pressure

■ When will the Prudential. Britain's biggest life insurer, end its splendid isolation and apply to join the Personal Investment Authority

along with the rest of the UK life insurance industry?

The question is prompted by the news that Sir Martin Jacomb, a member of the City's great and good, is expected to take over as chairman of the Pru next year. Sir Martin is a director of the Bank of England and a former deputy chairman of the Securities and Investments Board, and can generally be relied upon to toe the establishment line.

Sir Martin was a member of the board when the Pru insisted on exercising its right to be directly regulated by the Securities and Investments Board and the Pru does not sound as though it is bracing itself for a shift. Even so if the Pru is a member of the PIA a year from now it will be a sure sign that its robust chief executive Mick Newmarch is no longer being allowed to have it all his own way.

Shop early

■ Mohamed Fayed's war with John Major's government has the oddest consequences. Many of Westminster's

well-heeled Tory MPs might expect to do some Christmas shopping at Harrods, the famous Knightsbridge store. Which is of course owned by Fayed. Hardly the done thing, perhaps, to be spotted crossing Harrods's threshold at the moment. It might be construed as an act of gross disloyalty to the prime



FINANCIAL TIMES

Tuesday November 1 1994



Coastguard insists on unlimited cover for spills

Tanker rules threaten oil shipments to US

By Charles Batchelor, Transport Correspondent, in London

unlimited financial liability on tankers sailing into US waters could cause severe damage to the tanker industry and halt oil shipments to the US, according to shipowners,

The regulations were first pro-posed after the sinking of the tanker Exxon Valdez off Alaska in 1989, and repeated appeals to the US Coastguard to relax the new rules or delay their introduction have failed.

A decline in domestic oil production has made the US more dependent on imported oil, with about half of its total needs coming from the Middle East and other overseas oilfields.

Owners of tankers entering US waters after December 28 will be required to show they can provide unlimited compensation in the event of an oil spill. Although this deadline is still two months away, vessels are often chartered well in advance.

In return for proof that they could meet a claim, shipowners will be issued with a "certificate of financial responsibility" by the

The conventional method by

ance cover, through protection and indemnity (P&I) clubs of owners who share risks, cannot Tough new rules imposing be used because the P&I clubs are unwilling to take on unlim-

> "The Coastguard has created a claim structure which is unsustainable with existing insurance systems," said Mr Miles Kulu-kundis, chairman of Intertanko. representing many of the world's tanker owners.

So far only 41 tankers, all American and including Mobil Oil Corporation's 24-ship fleet, have obtained certificates to allow them to sail into US waters, Intertanko said.

But at least three other shipowners, including Knock Tankers, an Oslo-based company with 13 vessels, have announced their intention to withdraw from the

The total world oil tanker fleet is more than 7,000 vessels, of which at least 1,000 serve US ports. The loss of US business would be a severe setback for tanker owners.

The International Chamber of Shipping, a London-based shipowners' organisation representing more than half of the world's merchant tonnage, said it was a matter of "deep concern" that the to solve any of the serious prob-lems" posed by its rules. The shipowners believe the P&I clubs should remain the main method of covering risk, but said they "unreservedly" supported them in their refusal to take on the

risk of unlimited liability. Other options such as surety bonds, self-insurance and financial guarantees required the shipowner to provide large amounts of collateral and were only an option for the largest corporations, the chamber said.

The alternative for most smaller shipowners was insurance but there were no insurance schemes available which could provide the cover needed. "In the absence of insurance cover, oil shipments in US waters will largely cease as from December 28," Mr Chris Horrocks, secretary-general of the international chamber, warned.

The requirement for certifi-

cates of financial responsibility forms part of the Oil Pollution Act of 1990, which will also progressively require tankers to be doubled-hulled to reduce the risk of pollution.

A US court recently awarded \$5bn in punitive damages against Exxon following pollution of the Alaskan shoreline by the Exxon

Worst of bad-debt crisis over, says Bank of Japan governor

By Gerard Baker in Tokyo

Mr Yasushi Mieno, governor of the Bank of Japan, said yesterday that the protracted bad-debt crisis experienced by the country's banks appeared to be past its

in a speech at the bank's Institute for Monetary and Economic Studies, Mr Mieno, who retires next month after five years as head of the central bank, said banks had made significant progress towards lifting the burden of bad debts produced by the collapse of property and other asset prices in the past few years.

Mr Mieno has caused surprise in financial circles in the past six months with his insistently upbeat assessments of Japan's Yasushi Mieno: upbeat economic prospects. Yesterday that optimism was focused on the overall health of the banking system, though he criticised banks for their slowness to face up to

their bad debts. "We may no longer have to be concerned about how much further the problem of non-performing assets is going to develop since the outline of the problem has now become fairly clear," Mr Mieno said. The bad debt burden has made Japanese banks warv of new lending, in particular, in the international market.

Mr Mieno was careful to avoid claiming that the total number of



bad loans had peaked, stating only that the "pace of increase in non-performing loans" seemed to

have slowed. Figures published in the banks' annual reports in May supported the proposition that the total had peaked. Disclosed bad loans at the nation's 21 largest commercial banks fell by 1.3 per cent between September 1993 and March this year to Y13,600bn (\$140.14bn).

But these figures include only loans to bankrupt companies and loans in arrears by six months or

more. In Japan, unlike most other countries, banks are not obliged to give figures for loans where interest rates have been cut to keep a borrower afloat, nor those on which no interest has been paid for a period up to six

Most analysts estimate that adding in these loans would almost double the bad loan book, and would suggest that the total

Mr Mieno was critical of the pace at which the bad debt problem has been addressed. He described the painfully slow prog-ress by the banks in acknowledging, and then writing off, their non-performing loans as a typically "Japanese

He said this had resulted in a delay in the improvement of halance sheets. He added that the delay may have had a negative effect on the macroeconomy.

The governor said it was neces sary to strengthen Japan's financial system by promoting faster deregulation, and by encouraging banks to be more innovative and to discard their natural tendency not to step out of line with each other. They should also work to improve their risk management

Pin-up will help shape Japan's politics, Page 8

FT WEATHER GUIDE

fails to growth

By Tony Walker in Beijing

munist revolution.

quarter in spite of the govern-ment's proclaimed tight credit

The People's Bank of China, through its in-house journal, the

Mr Dai Xianglong, a deputy governor of the People's Bank, expressed concern about the M2 outcome. "This shows that money supply is accelerating...and inflationary pressure

He attributed the excessive monetary growth to high capital spending by state enterprises, lack of budgetary restraint, a rise in government employees salaries and increased payments to farmers. Mr Dai made a plea for restraint, saying that for monetary policy to work in the fight against inflation, government departments would have to

our bespenditure.
One of the bank's motives in breaking with tradition by publishing timely money supply sta-tistics seems to be to strengthen its argument for restraint. The bank is seeking to transform

bank also published figures showing narrow M0 money supply growth of 26.4 per cent in the third quarter, and M1 growth of

It reported foreign exchange reserves of \$39.8bn at the end of September, an 87 per cent increase on 1993. This was partly attributed to an improved trad ing performance, with exports exceeding imports by \$1.38bn in the first nine months.

China hold back monetary

China's central bank yesterday took a leap into greater public disclosure when it published up-to-date money supply figures for the first time since the Com-

These revealed that the broader M2 measure of monetary growth accelerated in the third policy aimed at calming an over-heating economy and curbing inflation.

Financial News, reported that M2 grew by 37.1 per cent yearon-year in the September quarter, compared with 29.7 per cent in the second quarter. The target for 1994 is 24 per cent.

is growing," he said.

itself from a passive state insti-tution into a leader in the fight against inflation. Consumer prices nationwide were up 27.4 per cent in September compared with a year earlier. This was in spite of measures adopted earlier this year to stiffen price controls on basic commodities and services. The

32.5 per cent.

Mr Dai said the decision to release the data was part of the bank's attempts to bring its operations into line with similar international institutions. "This will help the opening up and reform of our financial system and make for better international exchange [of informa-tion]," he told the Financial News. He indicated that publication of money supply figures would become standard practice.

THE LEX COLUMN

Kicking tobacco

Nine years after RJR bought Nabisco and five years after the combined entity was acquired by KKR in a massive leveraged buy-out, RJR Nabisco appears to be returning to its roots. Yesterday's announcement of a partial float for Nabisco could mark the start of a split into its original food and tobacco divisions. Meanwhile, RJR's decision not to take part in KKR's \$2bn bid for Borden, a food group, looks like an assertion of independence from the buy-out group.

RJR Nabisco's rating has been tainted by its perception as a tobacco stock - something re-emphasised by yesterday's go-ahead by a judge for a class action by smokers in Florida. By giving the food side greater visibility. the partial float should benefit both Nabisco and its parent. If it can be ring-fenced from tobacco liabilities, Nabisco should find it easier to raise debt and ultimately equity for acquisitions. RJR will be hoping its own rat-ing will be boosted by Nabisco's higher valuation, since it will still own

80 per cent of the company.

By backing out of the Borden bid, RJR has caused KKR something of a headache. Under the original deal, a complicated share swap between Borden and RJR would have have reduced KKR's costs and enabled the transfer of assets to RJR. There was also the possibility that Nabisco could have nelped KKR manage Borden, which has had a poor record in recent years. One might have thought that KKR, which owns 35 per cent of RJR Nabisco, would have been in a position to tell the group what to do. But, with that stake halving as part of the Bor-den bid, that is presumably no longer

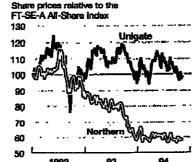
Milk Marque

The move today to a new marketing regime for UK milk parallels the expe rience of eastern European countries forced to switch overnight from central planning to a free market. The transformation will be traumatic, and the consequences will be unfathom-

In the short term, the impact of the change on big dairy companies such as Unigate and Northern Foods looks wholly negative. Milk prices will rise and the food processors will find it impossible to pass the full increase in raw materials costs to customers. This is especially true for products such as cream, yoghurt, cheese, butter and milk powder, where the ready availability of imports will limit manufac-

FT-SE Index: 3097.4 (+13.6)

Dairy groups



turers' scope to pass on cost increases of up to 20 per cent. Fresh milk is not threatened to the same degree by imports, and the dairies have already pushed through higher prices. Despite Tesco's decision yesterday to mark up the price of milk by 2p a pint, the brunt of the price rises will fall on consumers who have their milk delivered at home. Higher prices for the traditional pinta will accelerate the sharp decline in this high-margin seg-

ment of the market.

Long term, the Milk Marque regime may benefit the larger dairy groups. They will get greater flexibility in the sourcing of milk. They will seize the opportunity to rationalise their manufacturing operations, for example, by cutting excess capacity. But the transition to a new order is likely to be a turbulent one, and during that transition shares in Unigate or Northern Foods will tempt only the brave.

Capital adequacy

Creating a level regulatory playing field for banks and investment groups throughout the European Union is a laudable ambition. But the capital adequacy directive, due to take effect in just 14 months, is flawed. One problem is that the directive fails to achieve its main objective of ensuring fair competition between non-bank investment groups and banks' securities subsidiaries. The banks' securities businesses will still be subsidised by cheap capital from deposit bases - less costly because, in the last resort, they are guaranteed by governments.

Worse, the new regulations distort the market. The capital requirements for securities will, on occasions, be 32

times less than for loans with similar risk, so banks will be encouraged to develop securitised lending over traditional loans. This was gradually happening anyway, but it remains unsatisfactory that a significant acceleration should be the unintended result of regulation rather than market forces.

The directive's eventual impact will depend on the authorities' interpretation and implemention. The UK looks set to reinforce its record of adopting a legalistic, hair-shirt approach to European legislation through "super-compliance" - insisting on capital ade-quacy and documentation even greater than that required by the directive. This would increase costs and disadvantage London as a finan-cial centre. Within the directive, there is scope for discretion. The industry's regulatory bodies should use it.

Preferred securities

For Grand Metropolitan, the benefits of its \$500m issue of preferred securities are clear. The cleverly-structured issue is in line with the group's strategy of reducing its dependence on short-term debt. The cost of financing the new instrument is likely to be 40-50 basis points higher than that of 30-year debt - a price well worth paying for an instrument which approximates to equity, and is viewed as such by the rating agencies. Moreover, the securities enhance accounting measurements of performance such as interest cover and gearing while being tax-efficient. Despite the instrument's attractions, preferred securities are aimed primarily at US retail investors. The appeal of the financing technique to other UK blue chip companies may thus be limited to those like GrandMet whose products are already familiar to

Fees for refinancing near-bankrupt Heron International have reached an astonishing £60m. Bondholders, who saw most of their investment wiped out in last year's failed restructuring and will face a further diminution if the latest plan is approved, must feel bitter. A particularly gripe - as with other refinancings such as Queens Moat Houses - is that some fees have gone to Heron's bank creditors. It seems inappropriate for one class of creditors to receive fees from a struggling company, so reducing what is available for the rest.



The Busiest **Stations** in the City.



Sun SPARCstations The No.1 platform for shunting stock And shares.



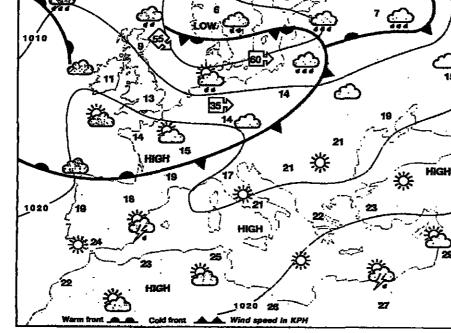
Morse Computers. 081-876 0404.

Europe today Northern Europe will be unsettled with

steady rain from southern Scandingvia to western Russia. The snow zone will move north over Scandinavia as moist, warm air is drawn in from the south. Rain or drizzle is expected from the Baltics to the Alps and central France but conditions will improve during the day. The British Isles and the Benefux will be dry but cooler. Odd shower are likely over the Netherlands, northern Germany and Denmark. The Mediterranean will be warm, dry and mainly sunny. Afternoon temperatures around 21C will be found as far north as Romania.

Five-day forecast

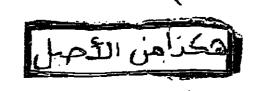
A complex series of low pressure areas over Scandinavia will move east, causing rain over north-east Europe. High pressure over western France will make central Europe the British Isles will draw cooler air and unsettled conditions into Spain on Friday and other areas of western Europe during



Caraces Cardiff Casabia Chicago Cologna Dakar Dalias Deihi Dubai Dublin Dubrovn

Our service starts long before take-off. Lufthansa

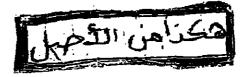
31 11 21 9 13 29 22 30 32 11 21 34 -1 25 22 17 17 32 8 15 22 23 19 7 9 17 17 15 23 14 7 14 Majioros
Maita
Mancheste
Mannin
Mancheste
Mannin
Melbourme
Menco Cit
Miarni
Miarni
Manni
Manni
Manni
Mascore
Munch
Nairobi
Najies
Nassau
New York
Nicosia
Oslo
Pans
Perth
Prague shower cloudy rain sun thund lair rain drzai fair sun Uhand lair fair Venice Vienna Warsaw London





FINANCIAL TIMES SURVEY

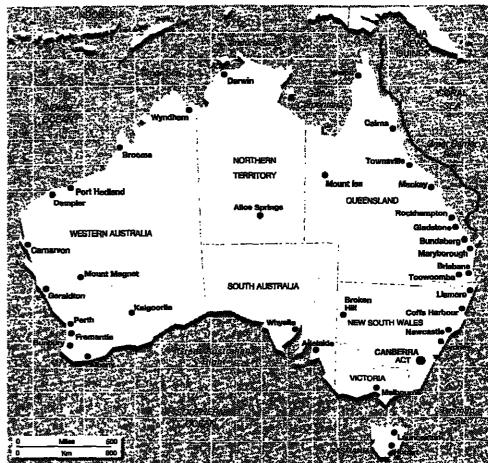
AUSTRALIA





Tuesday November 1 1994





been its astute but cautious

timing of the reform process -

a sharp contrast to New Zea-

land, whose faster restructur-

ing has provoked a political

backlash. In Australia, where

the electorate is generally con-

servative, the Keating govern-

ment has shown a marked will-

ingness to adjust the tempo in

sensitive areas, ensuring that a

majority is kept on board. But while this careful pace of

change has so far bought polit-

ical stability, it is possible that

problems are being created on

On a short-term view, there

seems little cause for concern.

Growth in GDP is forecast to

run out at around 4.5 per cent

the economic front.

s political rallies go, the recent gathering in Cabramatta, one of Sydney's western suburbs, was a low-key affair. A few hundred people, perhaps two-thirds Visitianese, gathered in the local part to hear speeches and sing songs. A solitary police-man tagged his foot in time to

red securities The Martin State of the State o

Charles and Alexander

The second secon

50 1-100 20 30

ber et et en en en

Frank strain

in the company

4

1400 - 1 - Total - 1212

SECTION OF THE

Service the come

man - north Electric de la com-

But the fact that it occurred at all was extraordinary. A few days earlier, the local state MP and an odispoken opponent of Asian gangs who had infil-trated the area; had been shot dead. While the reasons for his killing have yet to be revealed. the local media quickly declared this to be Australia's first political assassination.

The racist tone of subsechat-shows werried community. leaders, and they decided a backlash should be forestalled.

Bumpy ride to a new identity demonstrate the area's real Changes in Australia's ethnic make-up, its international orientation and

It would be easy to get Cabramatta out of proportion. In truth, there are not many streets in Australia where European script is barely visible. The suburb's electorate is amongst the nation's most diverse, almost one fifth Vietnamese, but with other large immigrant communities, drawn from both Asia and Europe. Australia, meanwhile, remains more remarkable for the accessibility and informality which surrounds its public figures.

All that said, Cahramatta's quent public reaction on radio recent experience, and the preconceptions and responses which it unleashed, do highbacklash should be forestalled. light the key question which The rally, it was hoped would confronts the nation. For a

economic culture are a test of its political maturity, writes Nikki Tait decade, Australia has been consensus and what is optimal

engaged in a process of fundamental change, encompassing everything from the country's trade focus and its wage-bargaining mechanisms, to its cultural priorities and racial mix. Key objectives have been (and remain) a closer integration with Asian neighours and a more competitive business environment at home.

But how fast this restructuring can, or should be, pushed is an extremely difficult issue - and one which gets no easier as the changes dig more perva-sively into everyday lives, and trade-offs between political

from an economic standpoint become inevitable.

Mr Paul Keating, prime minister, made reference to the issue during his keynote speech to delegates at the recent Australian Labor Party conference. "We are in office. We are doing what we do best which is making the changes, preparing Australia for the future," he said.

"And we are bringing the people with us," he continued in a slight departure from the prepared text. "That's the important thing, they're coming with us."

From a political perspective, the prime minister's assessment seems correct. Since winning the supposedly "unwinna-ble" election in early 1993, when recession was biting hard and dissatisfaction rife, the Keating administration has

established a clear lead over its opponents in the opinion polls. A Newspoll survey published in late-October, for example, suggested that if an election were held today, 46 per cent would vote for the Australian Labor Party versus 41 per cent for the Liberal/National coalition. On polling day in 1993, the same survey showed the

two votes neck-and-neck.

The government's edge does owe something to the leader-ship turnoil within the Liberal Party, the larger partner in the coalition, and to the opposition's policy confusion in the wake of its unexpected 1993 election loss. Moreover, the ALP's ascendancy in federal politics is not mirrored at state or territory level, where only Queensland remains in outright Labor control. This situation, in turn, makes for tension and confusion in key areas, ranging from Aboriginal rights

to labour relations. But it is also arguable that

in 1994/5, and then at perhaps four per cent in the following year, figures which compare favourably with any other "western" economy.

The inflation outlook has one major factor in Labor's successful retention of popular support at federal level has

begun to look a little less favourable in recent months. in part because of the potential long-term implications of the current drought which has crippled key agricultural areas on the east coast.

Nevertheless, the situation is not all that alarming. The consumer price index is forecast to rise by just 2.1 per cent this year, and perhaps 3.5-4 per cent in the following 12 months. Moreover, a larger-than-anticipated one percentage point jump in interest rates in late-October suggests that the Reserve Bank of Australia, the central monetary authority, is firmly determined to keep price rises under control.

☐ Continued on Page

Asia direct, 4 times a week.

Twice daily we fly to two of Asia's most important centres for business and leisure: Singapore and Bangkok. From there Qantas offers convenient connections to the rest of our Asia network and onto our home, Australia.



AUSTRALIA 2

n a short-term view. the Australian economy looks as palatable as the country's awesome beaches. On medlum-term view, conditions are less certain, writes NIKKI TAIT.

About a year ago, the country started to pull out of recession with unexpected strength. Annual growth in gross domestic product hit the five per cent mark early in 1994, before easing back to 4.3 per cent in the second quarter. Inflation remained (and remains) low: the annual increase in the consumer price index ran at 1.7 per cent in the same period.

Moreover, while consumer demand was the driving force in the recovery's early stages, this is finally generating a pickup in business confidence. As a result, the government's crucial target for business investment - a 14.5 per cent rise in 1994/5 - seems more attainable. There was a "high probability" of this increase being reached or even surpassed, remarked Ted Evans, one of the treasury's senior officials, in September.

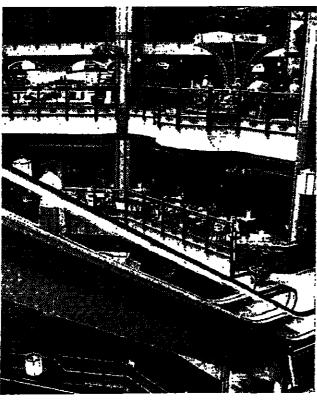
So, with some justification, Mr Ralph Willis, Australia's been able to declare that his country has never looked better placed to achieve a prolonged period of economic

But even Mr Willis would not pretend that the skies are

The most immediate concern is the severe drought which has hit key agricultural areas on the east coast. The effects of this are still felt widely, and it is hard to assess the final

But, already, production of wheat, a significant export category for Australia, is forecast to almost halve from around 17m tonnes last year to 10.4m tonnes in 1994/5. Feed costs for livestock producers are increasing, and prices of both animal and grain-based prod-ucts could rise. Rural hardship cases are fairly widespread, prompting the government to announce a A\$164m package of emergency aid measures. spread over two years. At present, official estimates suggest that around half a percentage point may be knocked off the nation's growth rate as a result of the drought.

Secondly, in spite of the strong growth rate, Australia's unemployment situation remains grim. A year into the recovery, the jobless rate stands at 9.5 per cent, and the



■ ECONOMY

It's getting stronger

emphasis which the corporate sector is still putting on productivity improvements suggests that any rapid decline is unlikely. Some forecasts have indicated that a national growth rate of around 3.5 per cent for the rest of the decade would still leave the jobless rate at seven per cent by the year 2000. A growth rate of 4.5-5 per cent might get unemployment down to five per

Such predictions encouraged the federal government to launch a A\$6.5bn "jobs programme" earlier this year. Its initiatives were various, but included the offer of either subsidised employment, mainly in the private sector, or work experience and training to all long-term unemployed people of 18-plus.

The package was given the best possible gloss, and much of the cost is actually spread over a four-year period. Nevertheless, while it was quickly judged to be politically astute. the husiness and financial com-

munity was less impressed. In spite of government reassurances that it was sticking to its deficit reduction strategy - which aims to cut the deficit to around one per cent of gross domestic product by 1996/7 - it would have preferred a faster rate of reduction, and more margin for error.

hese calls were revoiced by Mr Bernie Fraser, the Reserve Bank governor, in September and Mr Willis has suggested that they will be borne in mind in shaping the

Thirdly, there is the matter of Australia's external account. Australia's current account deficit has stabilised at around four per cent of GDP in recent years, but the concern is that the balance of trade could go out of kilter as business investment gets under way and imports of plant and machinery surge.

Many analysts do predict some worsening of the current account: Bankers Trust, for example, recently predicted A\$22bn deficit in 1995/6, or 4.5 per cent of GDP, although it adds that such a level "will not pose a serious problem for the economy". Since then, the August trade figures have been export revenue. released - and the much larg-Mabo is the popular tag er-than-expected current

account deficit fuelled the pessimists' worst fears. The authorities' response, meanwhile, centres on the huge effort to promote Asian trade, and encourage Australian exports to the region. This, it is hoped, could offset the rise in imports. But most pundits also

acknowledge that that there is an element of guesswork in all of this. No one yet knows how strongly-sustained Australia's export performance will be, nor the extent of any import surge. If the current account does "blow out", it is widely assumed that interest rate or tax increases might have to follow - the political hope presumably being for the latter export receipts. and that this could occur after the next federal election, in

Finally, there is the question of internal "structural" reforms. Ministers frequently point to the progress made by Australia over the past decade in terms of the steady lowering of tariff barriers, the move to replace centralised wage agreements by enterprisesed bargains, the reduction in the number of industrial disnutes, the introduction of competition into key sectors such as telecommunications, and so on. There is, moreover, an ongoing effort to push the process further, especially at state

But the outside world, including the all-important Asia region, is sometimes less appreciative. It still tends to see sporadic, but high-profile, national strikes (in the coal and shipping industries, for example); Australia's low savings ratio, contrasting sharply with that of its northern neighbours; and the nation's egalitarian culture which distrusts commercial

One recent survey of interna-tional competitiveness, by the International Institute of Management Development, put Australia in 15th place, roughly level pegging with the UK and Canada. Singapore, by contrast, came in second to the US, Hong Kong was fourth, and even Malaysia and Taiwan managed 17th and 18th places,

or the Australian minine industry the much feared "era of Mabo" has begun without interrupting the long-standing trend of steadily increased production and

given to a watershed High Court decision given legislative effect late in 1993 through the Native Title Bill. The Bill. which broadly gives Australia's Aboriginal people title to large tracts of the country. had drawn dire predictions from the mining lobby, mainly reflecting concerns about exploration and development

However, in 1993-4, the industry has again overcome weak world demand, historically low prices for many key commodities and unfavourable exchange rate movements marginally to lift export revenue to almost A\$30bn, accounting for better than 35 per cent of the country's total

Figures from ABARE, the Federal Government's commodities research arm, show that Australia's mineral exports have risen in all but one year of the past decade. The latest total represents more than double the country's then record A\$14.9bn mineral exports in 1986. While this performance jus-

tifles the industry's world leader status, demonstrating its inherent strength and diversity, closer inspection reveals some weak spots which threaten to reduce momentum later this decade.

The industry acknowledges that the effects on production and revenues may not be felt for some years, given the lead times involved in major projects. But mining executives see Mabo as part of a long term pattern of adversity which includes the rise of environmental issues, compensation claims from landowners. unfavourable tax treatment and vexatious litigation.

Mr Geoffrey Ewing, of the Australian Mining Industry Council (AMIC), says the mining industry has long been a leader in negotiating with Aboriginal communities. "Our argument is not with the concept of native title, but with the way the Bill produces an unwieldy system for exploration and development access," Mr Ewing said.

"Any real influence on production and exports is obviously some years off. In fact. Africa and the US. our annual financial survey,

iurface stripping at a New South Wales open-cut coal mine: gold is catching up

Mines survive new land rules, says Bruce Jacques

The lining is golden

due out later this year, will probably show a lift in exploration spending in the latest year. But our information is that the spending is mainly on what could be described as 'brownfields', sites which are free of any native title

The Australian mineral industry's overall performance in the latest year was also distorted by near boom conditions in one commodity - gold - where export value rose by more than 26 per cent to A\$5.42bn, masking some serious declines in other commodi-

Gold's resurgence echoes its historical position as one of the main populators of fledgling antipodean colonies more than a century ago. The metal's more recent Australian history is scarcely less important to national fortunes.

From a position of decline in the 1970s, when many of the country's biggest mines faced closure and annual output ran at less than three tonnes, Australian gold production has rallied close to 250 tonnes in the current year, ranking it third in the world after South

And new projects already

tion will keep rising strongly, too-volatile gold price. Mr Robin Widdup, gold analyst with J. B. Were & Son, the Australian stockbrokers, told the Financial Times World Gold Conference in June that Australia's annual gold production was likely to top 300 tonnes by the turn of the cen-

#igorous exploration and new mine development has transformed the gold industry from the 1980s picture of short life, shallow oxide open pits, to large long life mines in the 1990s," Mr Widdup said. "The 1990s Australian gold rush has seen geologists, armed with new geochemical and geophysical techniques, unearth a series of large new gold discoveries eath sand cover.

"This breakthrough in technology has lifted exploration expenditure ... and the rate of success shows no sign of slowing. A group of 10 to 15 new mines should lift Australian production by 40 to 50 tonnes over the next five years."

If gold fulfils these expectations, it could replace coal as

earner around the turn of the century. Gold's export jump in the latest year compared with a corresponding 5 per cent fall to just under A\$7.2bn for coal. Several other major Australian minerals recorded solid export revenue gains in 1993-94, including aluminium, up 5 per cent to A\$1.82bn and iron, steel and ferroalloys, up 22 per cent to A\$1.4bn. But zinc exports fell 22 per cent to

Sticking to a familiar pattern, Australia's higher overall export receipts were achieved despite markedly lower average commodity prices received. ABARE's mineral export price index slumped from 99.7 to 91.9 over the year while the index of mine production rose from

Australia is, quite simply, continuing to sell more minerals for less money. The financial performance of its leading commodities companies remains volatile. It's a habit that will prove hard to kick while the industry remains a price taker, hostage to a small local market and heavily exposed to the vagaries of international trade

This announcement appears as a matter of record only

PACIFIC B(R)ANDS **FOOD GROUP**

has acquired a 50% interest in the operations of



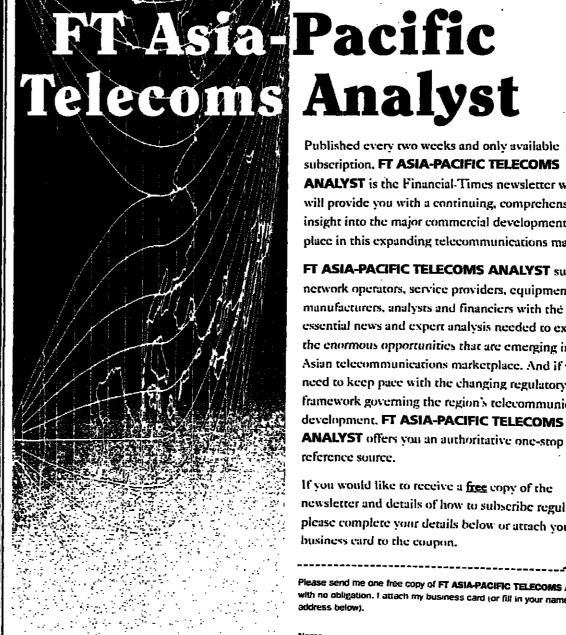
a leading manufacturer of ice cream in China

Pacific Brands Food Group was advised by





LONDON. NEW YORK. HONG KONG. TOKYO. PARIS. FRANKFURT. MADRID. ZURICH GENEVA.MILAN.SYDNEY.BANGKOK.TAIPEI.MANILA.JAKARTA.SEOUL.SHANGHAI BOMBAY, KUALA LUMPUR, SINGAPORE, LAHORE, COLOMBO, JOHANNESBURG, BAHRAIN



Published every two weeks and only available on subscription, FT ASIA-PACIFIC TELECOMS

ANALYST is the Financial Times newsletter which will provide you with a continuing, comprehensive insight into the major commercial developments taking place in this expanding telecommunications market.

FT ASIA-PACIFIC TELECOMS ANALYST supplies network operators, service providers, equipment manufacturers, analysts and financiers with the essential news and expert analysis needed to exploit the enormous opportunities that are emerging in the Asian telecommunications marketplace. And if you need to keep pace with the changing regulatory framework governing the region's telecommunication development, FT ASIA-PACIFIC TELECOMS

If you would like to receive a free copy of the newsletter and details of how to subscribe regularly, please complete your details below or attach your

business eard to the coupon.

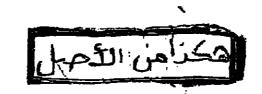
1

FINANCIAL TIMES Newsletters

Please send me one free copy of FT ASIA-PACIFIC TELECOMS ANALYST with no obligation. I attach my business card (or fill in your name and address below).
Name
Position
Сотралу
Address
Country
Tolophage

PLEASE RETURN THIS FORM TO: TELECOMMUNICATIONS NEWSLETTERS, FINANCIAL TIMES NEWSLETTERS, 3RD FLOOR, NO 1 SOUTHWARK BRIDGE, LONDON SE1 9HL TEL: +44 (0)71 411 4414 FAX: +44 (0)71 873 3935

F.T. BUSINESS ENTERPRISES LIMITED REGISTERED OFFICE. NUMBER ONE SCUTHWARK BRIDGE LONDON SE1 9HL REGISTERED IN ENGLAND NUMBER 980896



25 to 25 to 25 **30** 14 1 1 ---75 274 JULI **第四日: 3021**1 EXEC: 0.00 27 Tr 🗢 September 1997 SERVE ALLAS

> Zi titti yeng 2 to 12-15 ಹಮ್ಮಾರ್ ಚ

1000

7 773 H. W.

ZEEK!

ersonalities, not policies. have dominated Australia's federal politics of

Perhaps the strongest spotlight has fallen on leadership machinations within the Liberal Party, the dominant opposition party. Back in early 1993, when the recession was biting badly, Mr John Hewson, its former leader, lost a seemingly uniosable election to Paul Keating's incumbent Labor Party. For over a year, Hewson then limped on as the wave of destabilising rumours and speculation swelled around him. He finally threw in the towel last May, calling for a party-room ballot.

The showdown was surprisingly neat. Two aspiring candidates - Mr Peter Costello, a Victorian lawyer in his late-30s and relative newcomer to federal politics, and Mr Alexander Downer, Hewson's treasury spokesman - collaborated to present a joint "youth ticket". won comfortably with Mr Powner, whose blue-blooded Adelaide family has been involved in politics for three

e Jacques

a.n. in

-- bet depte

at a section of the

Tables

- 42.65 - 12.65 - 12.65 - 13.65

COM5

.CV57

ELONS

1231 %



Prime minister Paul Keating: ahead by a solid margin

job. Mr Costello became shadow treasurer.

But matters soon became messy again. Mr Downer, having enjoyed an initial "honeymoon" in the opinion polls. made a series of public gaffes, the most serious of which congenerations, taking the senior cerned opposition policy

towards Aboriginal native title the Keating government lost rights. The recent decision by four ministers, including John Mr Andrew Peacock, the vet-Dawkins, the former treasurer. and Graham Richardson, who eran Liberal politician, to quit the federal scene has not been held the health portfolio and helpful either: while Mr Peawas one of the party's key cock has reaffirmed his supbackroom players.

Since then, the cabinet has stabilised, but there has been a not-so-subtle lining-up of potential Keating successors. No one believes that the prime minister is set to depart in the short-term. But there is a school of thought which suggests that if he wins the next election, due in 1996, he could then step down midway through the next government's term of office.

So Mr Gareth Evans, Australia's foreign minister, has arranged to move from the Senate (parliament's Upper House) to the House of Representatives. This would allow his hat to go into the ring. Ms

Carmen Lawrence, the former Western Australian premier who took over Mr Dawkins' seat and Mr Richardson's portfolio, is another possible contender. Mr Kim Beazley, finance minister, and Mr Simon Crean, employment, have also been touted as candi-

Nikki Tait explains why the opposition parties keep changing their leaders

All these comings and goings have tended to mask the legislative vacuum. The Keating government pushed through key measures, such as the Native Title legislation and a contentious Industrial Relations act, during its first 12 months of office. This was often uphill work: the government lacks a majority in the Senate, and the Democrats and a couple of Green Party senators who hold the balance of power there caused difficulties. More recently, however, the

Reating regime has cooled the

tempo. The most conspicuous feature of its last finance package, for example, was the absence of any significant new measures. Opponents spoiling for a fight were left flailing in thin air. The overall result is that the profile of the minor parties has fallen significantly.

But perhaps the central question now hanging over Australian federal politics is whether the opposition can find a package of policies which differentiate it sufficiently from "middle-of-the-road" Labor government, and yet offers greater

This is not an easy task. During the past 10 years, Labor has followed a moderate This has involved putting a

appeal to the electorate.

programme of tariff reductions in place, nudging the labour movement towards enterprise-

Era of the personality cult based deals, deregulating key industrial and financial sectors, pushing the Asia-Pacific links, and so on. With a fair amount of skill, and helped by a weak opposition, the govern-

ment has been moving at its

own pace. It has thus retained

The key issue is whether the opposition can offer policies more attractive than those of a centrist

a broad measure of consensus

Labor government

support. The fate of Mr Hewson, whose "Fightback" package would have pushed the reforms further and faster, suggests that the Australian electorate will not be wooed by a more radical economic agenda. So

the Downer team is taking a different tack

Its first effort has been a broad "strategy" document called "The Things that Matter". This sets out the main policy areas which the party plans to develop in more detail during the run-up to the next election. "Four key issues define what we believe should be the major priorities of Australia: the creation of jobs, the strengthening of families, the empowerment of communities and the restoration of national cohesiveness and independence," it reads.

The jury is still out on the wisdom of this approach. Many commentators have found little to quarrel with in the document, which is also skilfully packaged. But the big question is the extent to which government niggling will mean that the rather bland generalisations have to be turned into detailed, costed policies.

That is when the Labor guns will really fire - if only to divert from a certain lack of new initiatives on their own side. The next 18 months could be interesting.

Shaking up the big state monopolies remains an urgent priority, writes Emilia Tagaza

port, speculation over his suc-

cessor in the blue-ribbon seat

of Kooyong has provided an

opportunity for gossip-monger-

polls have switchbacked, and

now give Labor a clear edge

over the opposition. Mr Keat-

ing, who has never ranked

highly in the personal popular-

preferred prime minister by a

But while the Labor side of

the equation has been better-

organised, it has not been with-

out its own personality

upheavals. In early 1994 - and

for a wide variety of reasons -

ity stakes, leads Mr Downer as

In the meantime, the opinion

ing to restart.

solid margin.

A long haul to greater efficiency

ONE of the greatest pieces of infrastructure redevelopment in Australia is arguably the conversion of rail freight lines connecting the mainland capital cities into a single, standard-gauge network.

By the middle of 1995, and for the first time in the country's history, goods being transported from one state to another will no longer be delayed by differences in rail

Until 1982, a journey from Brisbane on the east coast, to Perth, on the west, involved five changes of gauge, shifting from narrow to standard to broad and back to narrow. To move goods across, bogie exchanges were installed to change bogies underneath the waggon and enable the transfer of containers.

Over recent years, standard tracks have gradually been installed across borders so that today the Melbourne to Adelaide corridor is the only missing link in a standardised national system. This is now being rectified, with the construction expected to be finished by May 1995.

The system's inefficiency has long bedevilled Australian business, which has borne the cost and consequence on its competitiveness. The Bureau of Industry Economics, which has examined the performance of Australia's infrastructure against world competitors, freight charges are at least twice as high as its cheapest competitor. Its productivity was only 27 per cent of the

world's best performer in The state of the nation's railway system reflects how prac-tices and institutions established by individual colonies in the 19th century have continued beyond the federation, thus presenting a major obstacle to a single, national and competitive economy. It is no wonder, then, that the ruling Labor government has made state enterprises the target of the latest phases of its macroeconomic reform.

During the last 10 years, the federal government's reform programme has seen the deregulation of the financial and labour markets. Today, reform is aimed at state corporations and authorities, which have almost total control over

infrastructure facilities. Earlier this year, the Commonwealth government adopted an internally-generated report on national competition policy, the so-called Hil-Report, which ends that state government enterprises be opened to

It is estimated that reforms in state utilities such as power and transport would increase national output by \$5.5bn a year

free competition. Also being freed-up are statutory market ing bodies and unincorporated enterprises, such as the professions, particularly the legal sector. These three areas have until now been immune to the Trade Practices Act.

Infrastructure costs are over 10 per cept of the input of all of Australia's industries. The Bureau of Industry Economics study has found that in terms of price, reliability and efficlency, Australian infrastructure was below world best practice, in some cases substantially so.

that reforms in state-run utilities would increase national output by A\$8bn (US\$5.5bn) a

Although the state governments have generally agreed to implement the Hilmer Report, it is nevertheless an arduous task for the Commonwealth government. It is dealing with eight states and territories, all fiefdoms with different politics, different views of competition, and where business enterprises have different structures and are covered by different laws.

The first hurdle has already appeared. This is the issue of compensation for the states rents" provided by the enterprises. When these are privatised, the income will flow directly to the Commonwealth government as company tax.

At a meeting in August between the Commonwealth and state governments, the heads of states and the prime minister, Mr Paul Keating, were deadlocked on the level of compensation. Understandably, the states wanted to get more, whereas the Commonwealth wanted give less.

A Commonwealth bureaucrat said that some states instified their high demands by pointing at the steeply-rising revenues from state enterprises. He said it was unclear how much of the increases were due to excessive charges or to the increasing proportion of profits paid to states as divi-

The issue was resolved with the states asking the Industry Commission to examine the vearly increase in Commonwealth revenues as a result of the reform. A commonly-agreed formula will then be set for splitting revenues.

The states have widely differing approaches to implementing the programme. Victoria has been implementing an aggressive privatisation team since the Liberal government took power three years

Mr Alan Stockdale, the Vichint of concern that privatisation already accomplished may be excluded from the revenue sharing. "The Industry Commission is working with a brief from the state treasurers and it will clearly consider all relevant issues, including ret-roactive compensation," he

Queensland, meanwhile. resists the sale of public assets, claiming that, unlike Victoria, it does not carry a debt burden and therefore does not need to have a fire

years introduced a "corporate culture" in state enterprises

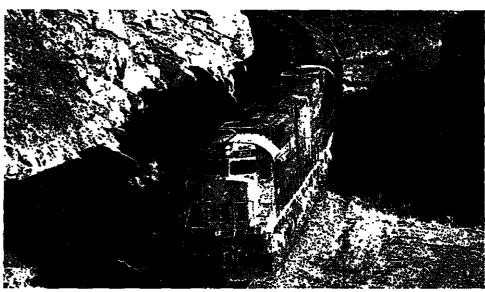
efficiency gains. Western Australia alone has refused to surrender its utilities to a national competition law. the eastern seaboard.

But Mr Stockdale said the different approaches are a natural part of the co-operative process. "There are some difadvantage. ferences but I believe everyone is genuine about their commitment to national competition," he said.

Mr Stockdale, who is recognised as the architect of the Victorian privatisation programme, considers the electricity industry as deserving

tion. He said Victoria has slipped from the lowest cost electricity supplier in the 1960s to the most expensive on He would like to turn that round to regain competitive

The first sale, that of a power generator, is due next year. The government expects that before 1996 there will be free competition for generation and distribution in the state. The core transmission grid will remain a state



Hauling iron ore from the mine: until 1981, there were five changes of reliway gauge across the contir

Let ANZ be your bridge to Asia Pacific

As Australasia's leading international bank, our experience in bridging the gap between Europe and the markets of Asia Pacific is second to none.

For more information on how we can help direct your business, please call Stuart Lawrence (Corporate Services) on 0171-378 2440 or David Foreman (Treasury Services) on 0171-378 2000.

Australasia's International Bank

Nikki Tait studies the rise of the gambling dens

Wheel of misfortune

If the growth in visitors to Australia is a pretty sight, the development of the country's casino industry - a key factor in the tourism equation -

looks increasingly ugly.

It has been estimated that revenues from Australian casinos could double over the next five years, to around A\$1.25bn per annum, as new properties in Cairns, Brisbane, Melbourne and Sydney come on stream.
This will be the third phase

of the industry's development. While casinos have been operating in Tasmania and the Northern Territory for several decades, these have always been small-scale operations. with aggregate annual revenues of less than A\$50m.

It was only when the Burswood casino got going outside Perth in 1985, followed by Jupi ters on Queensland's Gold Coast, that the dollar signs started to clock up. Burswood has around 116 tables, and Jupiters almost as many. The other seven casinos sprinkled across Australia are only in double-digits, and Alice Springs' has fewer than 20 tables. Burswood alone accounted for 40 per cent of the industry's A\$657m revenues in

Today, there are two principal reasons why other big states, such as Victoria and New South Wales, are clambering on to the same bandwagon. The first is an acute desire to

attract the Asian tourist dollar - or, at the very least, not to lose out to competing cities and states. According to projections from the NSW Casino Control Authority, the number of international visitors to the Sydney property could top the million-mark by the year 2000, compared with 1.1-2.2m domestic visitors and 6-7.5m local vis-

itors or day-trippers. Secondly, state treasurers. eager to relieve their budgetary pressures, see tax revenues from gaming dollars as a fairly efficient means of raising new funds. Consultants say that the substitution effect - the drop in racing-related revenues, for example, as punters adjust their activities - is relatively modest.

But as the stakes are raised, the disquiet is growing. In Melbourne, where a temporary casino opened early this year, there have been reports of a proliferation of "gambling problems". Pawnshops are said to be seeing a surge in business, and financial difficulties. notably within the city's large Asian community, are rife.

Meanwhile, the Sydney casino development has degenerated into a dirty brawl between the business interests of Mr Kerry Packer, the Australian businessman who already has a significant stake in the Melbourne operation, and a consortium of Showboat, the US casino group, and

Leighton Holdings, the Austra-

lian building company.

Leighton-Showboat appeared to win the right to build and operate the Sydney property earlier this year, outbidding the Packer consortium, which also included the US's Circus Circus, by offering an upfront payment of A\$376m.

But since then, the Packer camp has unleased a barrage of accusations about Showboat's probity. Mr Bob Carr, the NSW Labor opposition leader, has levelled some of the more detailed allegations, which hang on fairly tenuous links between Showboat and a Louisiana mob figure and seem to baffle US analysts. Confidential US police reports have been leaked: public relations advisers and lawyers spurred

into action.

The CCC, having assured everyone that extensive probity checks had been carried out before the Leighton-Showboat choice was made, has set up an inquiry to look into the allegations.

Sydney residents, meanwhile, tend to view the whole business with a mixture of contempt and cynicism. Two previous attempts to award a Sydney casino licence - in 1986 and 1987 - went awry when individuals or companies involved in the winning bids ran into controversy. It is now a question of whether the third time is any more lucky.

KEY FACTS

7.682.300 sq km

Pacific is now the main focus, writes Emilia Tagaza

Trade wind shifts

Australian prime minister, is trying to transform the Asia-Pacific Economic Co-operation (Apec) forum from a talking shop to an effective grouping of countries that feel they have heen the victims of strong-arm

trade tactics. His latest mission has involved weeks of intense negotiations aimed at getting Apec members to establish a free trade zone in the Asia-Pacific region by 2020.

There is a hint of impattence in Mr Keating's time-frame. He would like an agreement to be reached in principle during the Apec leaders' November meeting in Bogor, Indonesia.

If he succeeds. Apec would become more than an obscure acronym for another bloc of countries trading primarily in raw materials.

For Australia a completely liberalised trading regime would further strengthen its presence in the region.

Companies hope free trade will also lead to a freer investment climate, thus opening opportunities for greater par-ticipation in Asia's booming

Mr Bob Lim, director of economic analysis at the Rusiness Council of Australia, the main employers' body, says uniform rules will provide a quick way to the regional securities mar-ket. "Australian companies will be more comfortable with greater transparency and disclosure rules, and with uniform accounting and other operating standards," he says.

Mr Keating's free trade proposal has been received favourably among the Association of South-East Asia Nations (ASEAN). An internal Apec committee had originally recommended a start-up date 10 years later than Mr Keating's proposed 2010.

President Soeharto of Indonesia, who will chair the November meeting, has pledged to place the issue at the top of the Bogor agenda. Indonesia, which traditionally had the tightest trading regime among ASEAN members. acknowledges that only by opening up its trade and investment doors can his country's economic growth be sus-

Mr Goh Chok Tong, the Singapore prime minister, who is an avowed free trader, favours an even earlier date - 1998 for introducing free trade in

the region. The Canberra-based ASEAN-Australia Business Council said the Apec move will push forward the ASEAN Free Trade Agreement (AFTA). which began last year.

"The time-table for Apec's phase-in roughly corresponds to that of AFTA, and the wider Apec membership will bring greater advantages to ASEAN countries," the council said.

The accelerated time-table has a built-in sweetener for the developing member countries. According to the Business Council, the preferred Apec tries to dismantle all barriers by 2000 newly industrialised countries, such as Singapore,

Keating wants to rally a group of countries tired of being pushed around

by 2005, and developing counries, such as Indonesia, by

The idea of Apec was first proposed in January 1989 by Mr Bob Hawke, the former Australian prime minister, and Mr Keating, then federal treasurer. The politicians, with tacit backing from Australian business, have decided to link Australia's future economic prosperity and political stability with development in Asia.

The increasingly strong ties with the region have helped to cushion the decline in Australian trade with traditional partners in Europe.

The Asian members of Apec have absorbed an increasing proportion of Australian exports. Last year, more than 60 per cent of Australian exports went to these countries, compared with only 26 per cent in 1960. Exports to the European Union nations have declined to 13 per cent of total exports last year, from the 50 per cent level in the 1960s.

The agricultural subsidy was between the EU and the US, which could not be controlled under Gatt, also had serious implications for Apec. Austra-

lia and other agricultural exporters have been thwarted by the high protective wall built around the EU and the

Australia was vulnerable because the subsidies had encroached on its traditional outlets for wheat, one of its largest foreign exchange earn-

Using whatever influence it had, the Australian Labor government had sought to get together some of the trading underdogs for a more effective collective lobbying. It was instrumental in the formation of the Cairns Group, which consists of non-subsidising exporters, mostly from devel-

The Cairns Group secured a hearing during during the Uru-guay Round of the Gatt talks, but by the close of the 1980s it was obvious that the US and Japan also had to be involved to make an impression on the importing countries.

The historic deal struck last December at the end of the seven-year Uruguay Round placated, albeit momentarily, the free traders. Australia stood to gain an additional A\$5bn (US\$3.7bn) in annual exports from the range of subsidy and tariff cuts agreed upon.

Mr Keating, at the time claimed the agreement would result in an A\$1bn increase in agricultural exports. Wheat sales were expected to rise by A\$250m because the deal would slash the amount of subsidised wheat on world markets by nearly 50m tonnes between However, the recent delays

in the ratification of the Gatt accords has again underlined the need to strengthen Apec. Mr Keating moved quickly and spent much of August and September cajoling important Apec players to give a political

commitment to the promotion

of the free trade. On a visit to Tokyo last month, Mr Keating appealed to the ideological leanings of Mr Tomiichi Murayama, Japan's new socialist prime minister.

in order to win a half-nod. Mr Murayama reacted by offering to back regional free trade. However, he pragmatically advocated extreme cau-



Japanese tourists flock in, reports **Bruce Jacques**

Harvest in the hotels

The growing importance of economy was underlined in 1994 by recognition of the diverse and complex sector as a leading stock exchange investment indicator.

The pooling of nine leading tourism-related companies into a single indicator, the Tourism and Leisure Index, represented a coming of age for a sector which has had more than its share of credibil. ity problems with investors.

While the index will help to make a fragmented industry more accessible and easier to analyse, it will reflect merely the tip of what is a very large and growing iceberg. By September this year, companies included in the index boasted a market capitalisation comfortably above A\$3bn, or around one per cent of the benchmark All Ordinaries

But the new index sits atop a sector which now makes up more than 5.5 per cent of Aus-Although the bulk of that

tralia's gross domestic product, employs almost 6 per cent of the country's workforce, generated foreign exchange earnings exceeding A\$10.7bn and accounted for expenditure estimated at \$26.2bn last year.

expenditure total - A\$18.4bn -

came from domestic tourism,

inbound tourism is expected to

be the major growth area for the rest of the century, boosted by Sydney's capture last year of the 2000 Olympic Games.

This climate of growth has already catalysed strong investment. The Australian Tourism Commission (ATC) has identified tourism-related accommodation projects worth almost A\$5bn scheduled for completion by 1996, including two new casinos.

The activity has also thrown up plans which will test equity markets, including a float of the Federal Government's flagship airline Qantas, possible refloating of the rival private airline, Ansett, and privatisation of the country's airports These proposals could call on markets for around A\$7bn over the next five years, providing a keen indication of investor attitudes to the tour-

stake. Many analysts see tourism performance as an acid test of the wider Australian economy's ability to compete internationally into the next century. A recent study by ANZ McCaughan, the Australian stockbroker, says tourism growth will largely reflect the country's ability to win an increasing share of the global tourism market, clearly one of

the world's biggest industries. ANZ McCaughan quotes estimates that tourism accounted

for around 5.5 per cent of world gross national product in 1993, with more than 500m tourists spending almost A\$325bn. Tourism is widely forecast to create one in nine year, rising to one in eight by the turn of the century.

Australia has one crucial advantage in capturing more than its share of this growth its location in the Asia-Pacific region, the world's fastest growing tourist area. ANZ McCaughan says in the 12 years to 1992, tourist arrivals in the region grew at an annual average of almost 9 per cent, more than double the world average. Continued regional outperformance is

forecast for the next decade. Australia has more than matched this regional growth over the past decade, with arrivals increasing at more than 9 per cent annually. This record, plus the boost expected from the Olympic Games. recently led the ATC to confirm its estimate that 6.8m overseas tourists would visit Australia in the year 2000, rising to 8.4m by 2004. This compares with 3.2m actual arriv-

These forecasts reflect an estimated 2.1m overseas visitors generated directly over the next decade by the Sydney 2000 Olympics, with the bulk of business coming from Asia as slow economic recovery and

als in 1993-4.

_...17.66 million Population HM Oueen Elizabeth 1 Head of State .Australian dollar (A\$) Currency Dec. 1993 \$1=1.4733 A\$ Sep. 1994 \$1=1.3514 A\$ ECONOMY 1993 1994 431.6 412.4 Total GDP (A\$bn) Real GDP growth (%) 2 Components of GDP (%) 1... 62.1 Private consumption... Government consumption. Imports. Consumer prices (%) 2... ind. production (%) ¹ Hourty earnings (%) 4.2 Share price growth (%) At Dec. 93, Sept. 94. Unemployment rate (%). Official call rate (%). 4.80 5.45 3 month inter-bank rate (%) 4.86 6.23 Govt. bond yield (%). 6.68 10.33 Trade (A\$bn) 2 Current account balance 62.1 Merchandise exports. 62.4 -0.4-0.4Main trading partners (%) 6... **Imports** 18.1 22.8 2.4 Korea

(1) First half of 1994 annualised, (2) First half of 1994 only. (3) Growth over 12 months to end Dec 93, end Sept 94. (4) Reserves Dec 93, August 94.

(5)Percentage shares of trade in 1992. Sources: IMF, EIU

ense competition curb traffic from Europe and the US. Japan remained the largest single source of inbound tourists to Australia in 1993, claiming 22.4 per cent of the total. This was shaded by combined visitors from other Asian sources, which took 22.7

per cent. New Zealand pro-

vided another 16.6 per cent of

visitors, the US 9.4 per cent, UK/Ireland 8.1 per cent and other European countries 10.5 per cent. While less numerous than their Asian counterparts, UK/ Ireland and other European visitors probably contributed

more to the Australian economy because their average stav was around 40 nights compared with just nine nights for Japan and 32 nights for other Asian countries. The main reason for the discrepancy appears to be that UK/ Ireland and European visitors come mainly to see relatives

while most Asians come pri marily for holidays.

ANZ McCaughan's analysis concludes that Australia's inbound tourism record over the past decade largely reflects the emergence of the country as an inexpensive place to visit. A weakening currency has helped, but the brokers calculate that the cost of tourism related services in Australia are now among the lowest in the industrialised world.

"Australia's tourism infra structure is generally adequate for present needs and there is every indication that it can respond quickly to actual and estimated changes in tourism plans," the analysis said. "The national attractions of Australia are such that great opportunities exist in the growing eco-tourism market, reflecting in part the preferences of travellers for more active, participatory or experimental travel experiences."

. . . .

eqling existing record

ine momentamii.

" More information 40

GET RUSSIA'S BUSINESS NEWS FIRST HAND



Financial Izvestia is a Russian language business newspaper produced by Izvestia, Russia's leading independent newspaper, in partnership with the Financial Times. Appearing twice weekly, Financial Izvestia draws on the huge editorial network of both newspapers. It brings accurate, up to the minute news that impacts upon the Russian market, providing a unique and essential business tool for those shaping the new Russia.

Get the news that influences their decisions the way they get it, first hand, every week by simply sending off the subscription coupon below.

For Eva Schreiber, Financial Times (Europe) GmbH. Nibelungenplatz 3, 60318 Frankfurt, Germany, Tel: +49-69-15685172, Fax: +49-69-5964483

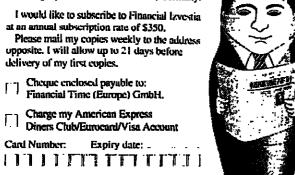
AN EXCLUSIVE OPPORTUNITY TO SUBSCRIBE TO FINANCIAL IZVESTIA

To: Eva Schreiber, Financial Times (Europe) GmbH. Nibelungenplatz 3, 60318 Frankfurt, Germany.

I would like to subscribe to Financial Izvestia at an annual subscription rate of \$350, Please mail my copies weekly to the address opposite. I will allow up to 21 days before

Cheque enclosed payable to:

Charge my American Express
Diners Club/Eurocard/Visa Account



(No order can be accepted rithout a signature.)

FINANCIAL TIMES

More bumps on road to reform

□ Contd. from Page 1 that the clouds start to loom. to fall in Australia, and is expected to average a little under 10 per cent in 1994. The government responded earlier this year with a comprehensive package of measures, including promise of subsidised employment or training for all ong-term unemployed. It was costed at A\$6.5bn over the next

But rather than fund the package with new tax measures, which could have been politically troublesome, ministers chose to utilise the 'growth dividend" - the higher than expected tax receipts flowing from the country's rapid economic recovery. That, in turn, meant that there was no scope for accelerating the government's deficit reduc tion plan in the 1994 budget, which repeated the previouslystated aim of cutting this to one per cent of GDP by 1996-97. More recently, there have been suggestions that fiscal strategy may be reviewed next year.

But analysts are sceptical. An even larger cloud on the horizon is the current account situation. This has been a bugbear for Australia in the past, with an upturn in domestic activity tending to lead to a surge in imports - in part, to meet capital investment requirements. As the trade balance has gone out of kilter, interest rates have been forced up, and a "boom and bust" scenario has developed.

This time, the anticipatory response has been twofold. There has been an all-out effort to promote Australian exports, most notably to Asia, which now accounts for over 60 per cent of the country's trade. And there is an attempt to lift the country's low saving rate, through changes to the pension/superannuation syste

It is in the context of the former strategy that Austraila's desire to establish a "free trade" zone in the Asia-Pacific region assumes considerable importance. The Asian Pacific Economic Cooperation group is due to meet this month to consider a report seeking the goal of free trade in all goods and services by 2020, with more developed nations lowering their barriers at a relatively faster rate. Australia is expec ted to push the proposal hard. At this stage, it would be a

brave individual who tried to It is over the medium-term predict whether enough change had been wrought to break the previous cyclical pat tern. Government ministers say yes; some local business iders, and many Asian com-

petitors, say no. "Reviewing the scorecard, I'd give us about five out of 10 for our current policy mix," remarked Don Mercer, head of the ANZ banking group, earlier this year. "Unless we commit ourselves to picking up the reform agenda, we stand a pretty good chance of wasting the best opportunity in decades to secure the sustained recov-

ery we deserve to have", Perhaps all that can be said with certainty is that the halancing act is a delicate one on which political fortunes will undoubtably ride.

AGRICULTURAL & RESOURCE **COMMODITIES QUARTERLY**

Australian Commodities is a quarterly report produced by ABARE, Australia's largest applied economic research agency. It should not be missed by any analyst or decision maker involved in primary industries.

Each issue contains over 130 pages of up to date forecasts and tables on over 50 agriculture, forestry, fishing, minerals and energy commodities. It also ins topical articles on issues such as climate change, the US farm bill, GATT, Asian market prospects and implications of opean policy developments.

ABARE PUBLISHING: Ph 616 272 2257 Fax 616 273 2588

essential reading for people seeking business growth and

You are invited to send for a free

Instant annual subscriptions (4 issues - \$A75 plus \$A26 postage & handling) can also be lodged by telephone. 'Bill me later' subscriptions can be faxed.

Free catalogue of other similar publications can be obtained on

Postal address: Publications Officer, GPO Box 1563, Canberra ACT, 2901 Australia



This notice appears as a matter of record only.

Bank of Western Australia Limited

has completed the sale of Primary Industry Bank of Australia Limited

to Rabobank Nederland.

Gresham Partners Limited

acted as financial advisors to BankWest in this transaction.

GRE\$HAM

LEVEL 6, 175 MACQUARIE ST, SYDNEY, NEW SOUTH WALES, AUSTRALIA. Pir: 61 2 221 5133 FAX: 61 2 221 6814

GREATER ATLANTA

Key facts and visitors' guide: PAGE EIGHT

Tuesday November 1 1994

he essence of other cities may be culture, high finance, beauty or glamour. But Atlanta has commerce in its heart.

The city prides itself on being a place where people can succeed, and where business success is prized above all. "The whole tone of the city

is one of aspiration," says Mr

Alf Nuclfora, a top local marketing consultant, who came from Australia some 20 years ago and rose to prominence. While dreadfully prone to boosterism, Atlantans say their hometown is characterised by a "can do" attitude. Defeatism and "thinking small" are

Although the heart of Atlanta is business, it is not a city that is money mad. It is more that Atlantans are single-minded in the pursuit of "making it," whether it be a successful dry cleaning shop or a leading worldwide television network - CNN.

anathema here,

Atlanta's attitude is perhaps a product of its history. Originally a simple railway town known as Terminus, it changed its name in 1845 to the grander-sounding Atlanta.

After being razed by Union Gen. William Tecumseh Sherman near the end of the Civil War, it rebuilt itself from the ashes to once again thrive in the late 19th century as a railroad town. Fittingly, Atlanta's symbol is the Phoenix. Entrepreneurial spirit

2 . . .

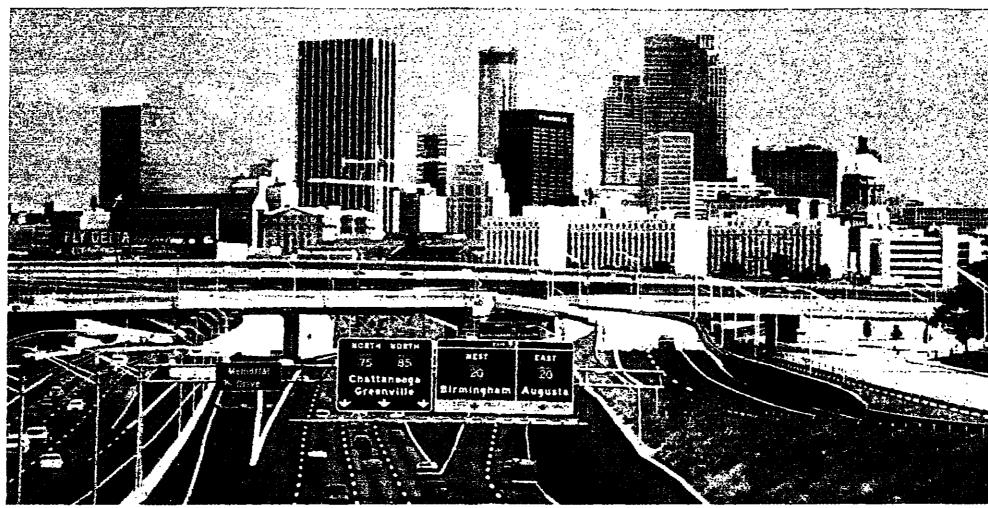
SOURCE RTERLY

The state of the s

always seems to have powered the town. In the 1880s, a shrewd businessman by the name of Asa Candler saw the immense possibilities of marketing sweet fizzy water and built the foundation of the Coca Cola empire. Coca Cola s worldwide headquarters remains here today.

It has been the leading business city of the South for several decades, but it now aspires to more. It wants international status. Although some snigger, Atlanta wishes to be the "next great international city," in the same league as New York or Los Angeles, London or Rome.

The 1996 Olympics, which will be held here, are widely believed to be the lever for catapulting the city to international standing. And Atlanta is



Where business success is prized above all

Atlanta has been the leading business city of the American South for several decades, but it now aspires to even greater things. The 1996 Olympics are widely believed by Atlantans to be the lever for catapulting the city to international standing, writes Barbara Harrison

putting every ounce of its energy into trying to make the Olympics a marketing opportunity for the city as well as the state of Georgia, of which it is the capital.

Since August 1993, the Chamber of Commerce has run an international advertising campaign using the Olympics to boost the city on CNN International. The ads are part of a five-year, \$10m-plus marketing program by the Chamber. Mr Nucifora is also trying to raise \$5m for another campaign to market Atlanta in the run-up to the Olympics. He hopes the theme of the new campaign will replace the old slogan "The City Too Busy To Hate," which has endured since the days of the struggle for civil rights and is now clearly outdated.

The new slogan will be about aspirations and dreams, a theme endorsed by nearly 90 per cent of those he has que-

At the same time, the Governor of Georgia, Mr Zell Miller. has appointed a group of business leaders to orchestrate a high level, individually targetted marketing effort called "Operation Legacy." It is hosting a series of invitation-only tours of Atlanta for top companies and individuals which might invest here. The best prospects will be invited back to attend the Games.

While not yet of international stature. Atlanta has

much to boast about. Already home to representative offices of more than 730 of the Fortune 1.000, it is consistently rated as one of the most desirable cities in America in which to relocate a company or start a new business. This year. Altanta was the winner of the 'Best Cities for Small Business' award by Entrepreneur Magazine. It also topped the World Trade Magazine's recent list for the best ten US cities for global companies.

Good location and transportation facilities continue to be Atlanta's main economic attractions. By air, 80 per cent of the American population can be reached within two hours. Atlanta's Hartsfield International Airport, with over 1,500 daily flights, including some 300 international flights a week, is rated the world's second busiest. An average of 50m passengers a year pass through Hartsfield, which has just opened a new

international concourse that can process 6,000 passengers an hour. Although mired presently in downsizing. Delta, one of America's top three air carriers, calls Atlanta home and accounts for about 80 per cent of the airport's passenger traf-

> tribution centre for goods moving over land. Three interstate highways intersect the city.

Atlanta is also a leading dis-

Continued on page two



Atlanta's preparations for the Olympics are well advanced

IN THIS SURVEY Investment keeps the economy bubbling: Atlanta is pinning many of its the 1996 Olympics will render, reports Barbara

City's influence on regional politicsPAGE 2

Banking: big regional

Harrison.

 Preparations for the 1996 Olympics; personality profile, Billy Payne, an Olympic altruistPAGE 3

Property market trends. Transport and tourism developments PAGE 6

☐ Company profile: Coca-Cola, the world's best known trade mark. decade of growth for Atlanta-based BellSouth. □ New Opportunities for

businesses . PAGE 7

□ International spotfight on the Carter Centre.

minority-owned

□ Aggressive expansion by CNN television network. Visitors' guide: key facts about metropolitan PAGE 8 Atlanta.

Editorial production: Michael Wiltshire



FORTUNE Magazine, CEO Survey, 1993, #1 Baring Advisors Consensus Forecast, 1994, #1 Entrepreneur Magazine, Best Cities for Small Business, 1994, #1 World Trade Magazine, Top 10 American Cities for Global Companies, 1994, #1

etro Atlanta leads the nation in a host of key economic indicators. During 1992 and 1995, metro Atlanta was first in the number of new jobs created and new housing permits issued. In national and anternational L V. L survey after survey. Atlanta comes out on top as the best market to locate a new business facility of to expand an existing enterprise.

Atlanta's unmatched accessibility, affordability and attractiveness make it the city to beat in the 1990s. As home of the Centennial Olympic Games. Atlanta is undergoing a \$2-billion remaissance of private and public investments to prepare the region to host the world during the summer of 1996.

Beating existing records by almost every measure

-Join the momentum!!!

For more information (404) 586-8440

DURING 1993:

Nation's Leader in Job Creation with 86,000 net new jobs Nation's Teader in Honsing Permits, 35,994 -- ith highest number in U.S. history 130 Major Corporate Entries in MSA

smillion square feet of other space absorbed.

8.8 million square feet of industrial space absorbed

EVEN MORE IN 1994!!

Job growth projected between \$5,000 - 90,000

January - August - 22 296 Housing Permits Linuary - September — Over 150 Major Corporate Entries in MSA

January - September — 2.7-million square feet of office space absorbed

lanuary - september - 7.5-million square feet of industrial space absorbed

FORWARD Atlanta



photo company of Presentation Services. Inc

Parking

Today grains المالية المالي المالية المالي

to see which

. C'

. . .

STEEL THE P. FIX Sec. TENT

EXT. 10 20

Lai

.....

5t - -

321

TF

77 TT 77

2200

72 77.00

37.

7. Carry 2.

- Ear

FIELE

er : ----

Favoured US venue for business relocation

Continued from Page 1

For rail distribution, CSX and Norfolk Southern Railroads operate 80 freight trains in and out of Atlanta daily. Telecoms capacity is high, with more fibre optic cable laid than any city in the US. Bell-South, one of the leading Baby Bells, has its headquarters in Atlanta as does Turner Broadcasting and Turper's worldwide news network CNN.

If short on sophistication. Atlanta's quality of life is high at a modest cost compared to other large cities. Housing is moderately priced. Recreational amenities include an ample supply of golf courses, tennis clubs and city parks. Nearby, Lake Lanier is used for water sports, and the south-ernmost Appalachian mountains offer great hiking.

Atlanta a boom town. The prosperity has lured more and more people to "Hotlanta." as the boosters are fond of calling it. Between 1984 and 1993, 1,506 new companies, including 361 foreign firms, have relocated to Atlanta, investing \$80bn and halping to create a net increase of 487,600 jobs. Between 1980 and 1990, Atlanta's population grew 32.5 per cent to 2.83m. Last year, an estimated 86,000 people arrived in metro Atlanta, driving up housing construction by about 40,000

Even with all of the city's appeal and formidable energy. there are still some who worry that the 1996 Olympics may not bring the glory to Atlanta that is expected. These sceptics say that the Olympics may prove that Atlanta lamentably believed its own hype and over-reached itself. A city of

modest opinion of itself would probably have never even attempted to lure the Olympic Games. But Atlanta dared and won. And for the moment, the \$1.5bn worth of Olympic preparations are reported to be on schedule and on budget.

mittees, raise money for charities, clean up public parks, and volunteer for The Atlanta Project, the local anti-poverty programme of the former US president, Jimmy Carter.

community development com-

It is a point of pride for business and professional people to

Between 1984 and 1993, 1,506 companies, including 361 foreign groups, set up business in Atlanta. Britain and Japan are leading overseas investors

Perhaps because so many have come here and done well, Atlantans feel a deep affection for the city. This has in turn led to one of its greatest distinctions: the business community is perhaps the most civicly active in America. They not only give money to community causes, they give time and energy. They chair arts and

be involved in community affairs. Mr Wyck Knox, a senior partner at the Atlanta law firm of Kilpatrick & Cody, has civic commitments that require a significant amount of his time, but he observes: "People in business and professional circles are interested in making things happen here."

He admits civic involvement

is also good for business - and presence of a very large black he adds that "it's important in Atlanta to be perceived as doing something useful for the community.

Another of Atlanta's distinc-

tions is its ability to maintain racial harmony when so many other American cities have been riven by racial animosities. Despite the fact that the central city is predominantly black, while the larger metro area is predominantly white, Atlanta's black politicians and white business élite long ago recognised the value of racial harmony for economic growth.

While all is not sweetness and light between blacks and whites, Atlanta's mayor, Mr Bill Campbell, who is black, says, that race "has not been a hindrance to finding common solutions or trying to work together." Black-white relations have been helped by the

middle class. With the biggest concentration of top black universities in America and an affluent black business community. Atlanta is considered a 'Mecca' for ambitious young blacks throughout the US.

In addition, as the birthplace of Dr Martin Luther King Jr. Atlanta proclaims itself the cradle of the civil rights movement. The King Center, which attracts nearly a million visitors a year, is receiving a face lift in anticipation of the Olympics' year.

The 1996 Olympics will allow Atlanta to be on the international stage, at least temporarilv. But whether it stays there will depend on whether it carries off the event with maturity and aplomb or overdoes its self-promotion. If it makes the latter mistake, it may simply look tastelessly opportunistic.



[] Atlanta is the state capital of Georgia. Conve bring in \$1bn annually to the metropolitan area. It is a leading button centre in the US for goods moving over land. The city has esentative offices of more then 730 of the Fortune 1,000 companies. Atlanta has 19 career consulates and 32 honorary consulates; 13 foreign chambers of commerce; and 32 foreign owned banks. For more key facts on Atlanta, see page eight of tials survey.

Diversity of business sectors has helped Atlanta weather financial setbacks

Investment keeps the economy bubbling

Atlanta is pinning many of its economic hopes on what the 1996 Olympics will render, reports Barbara Harrison

■he economic outlook for Atlanta is as cloudless as its best summer day. The Olympics have only strengthened what already was a strong positive trend.

The Atlanta economy continues to expand at boom conditions with no evidence of serious slowing," comments Mr Don Rataiczak, director of the **Economic Forecasting Center** at Georgia State University in

Atlanta suffered only the mildest of downturns during the 1990-1991 US recession. Although the collapse of Eastern Airlines heiped produce a net job loss of 20,500 in 1991, that has been the only negative figure for jobs in the entire decade between 1984 and 1993,

see table below. In the ten years between 1984 and 1993, 487,600 net new jobs

New jobs created

Value of announced

Office space in

Hotel rooms built

No. of announced projects

were created in Atlanta.

97.500

11,040

233,427

68,700

11.025

250,110

including 83,500 in 1993. (And, through the first six months of this year. Mr Rataiczak says that job growth was 89,300

above the previous year). The diversity of Atlanta's economy, encompassing transportation, automotive manufacturing, wholesale distribution, ample retail, conventions and tourism, biotechnology, and telecommunications, has helped it weather the setbacks of any particular segment.

Furthermore, its attractive local business conditions have proven a magnet for investment. In the period from 1984 to 1993, 1,506 companies, including 361 foreign businesses, have relocated to Atlanta and brought \$80bn in

Between January and June this year, 83 more new companies, including 13 foreign busies, expanded or relocated in Atlanta. According to the Atlanta Chamber of Commerce, they represent a real estate investment alone of

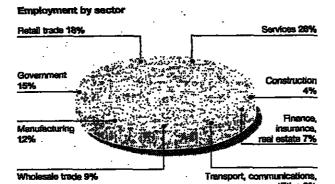
Compared with the rest of the state of Georgia, metro Atlanta has been the overwhelmingly preferred site for relocation of foreign companies, which have more than

61.000

10,156

186,832

Atlanta's industry mix **Employment by sector**



\$10bn invested in Georgia. according to a recent survey by KPMG Peat Marwick.

The survey of 741 foreignowned companies in Georgia found that the top three investors were the UK with \$2.3hn. Japan with \$2.2bn and the Netherlands with \$1.5bn.

A Lou Harris poll last year

found that Atlanta was the first choice for locating a new facility by executives from the International Fortune 1,000. The city's relatively low

28,200

407

3,950

30,700

260

2.209

(20,500)

195

775

42.091

Summary of Atlanta's decade of economic growth

45.800

3.642

"indicates actual net Increase (decrease) in the metro workforce, according to the Georgie Department of Labor; "Many of these projects will be developed in

es over several yeers. The full estimated built-out value is listed in the yeer in which the project was announced and not repeated in future years.

52,900

8,378

ated potential employment, using inclustry averages if all projects are built to full expectation at the time of the announce

244,200

priced housing and many amenities have helped it consistently rank among the top choices for relocation by US companies. Atlanta and Georgia also offer a number of tax and other incentives that make the choice more attractive.

While investment has kept Atlanta's economy steadily bubbling, the Olympics has helped it become positively effervescent.

85,300

٥5

0

26

Total

216.2

51,505

1,506

1,581,745

487,600

More than \$600m in Olympic construction is helping to drive operating costs, excellent trana construction boom that was sport facilities, reasonably already under way in housing.

38,000

123

330

25,618

Another \$150m in city infrastructure improvements approved in July will push con-

struction even higher. Home building has risen not only with the drop in interest rates, but because Atlanta is drawing more people to it from other regions than any other city in America. More than 86,000 new people arrived in Atlanta in 1993, leading Mr Ratajzcak to predict that nearly 40,000 new households will be built this year and next.

Some analysts have even suggested that speculative commercial building, which flooded downtown Atlanta with office space during the 1980s, could start again as early as next year.

Vacancy rates are headed down and real estate investment is looking up. In a survey of large institutional investors, the Real Estate Research Corporation recently rated Atlanta the top investment market.

"The Olympics co-incided with what was going to turn around, anyway," observes Mr Andy Krikelas, a regional economist at the Federal Reserve

tlanta's key transportation industry is showing strong gains despite continued lay-offs by Delta, the third largest US airline which has its headquarters in the city. However, innovative airlines such as Kiwi and ValuJet are helping mitigate the

The important business of Atlanta ranks as the fourth largest convention centre in the US - has improved this year. And, according to Mr Krlkelas, there may even be potential for more retail development now that "consumers are coming back." He believes Atlanta's economy is "pretty strong right now - and we expect it to remain strong through the Olympics."

Although healthy growth eems assured through the tions about what will happen afterwards. Measuring by the usual business cycle, it would be time for a recession

But some expect that Atlan-ta's economic fizz will not stop. The city's mayor, Mr Bill Campbell, says that many infrastructure projects will extend past 1996 and will help keep some bouvancy in the local economy. Mr Ratajzcak will have a post-Olympic "soft landing" because commercial real estate will once again just be picking up.

Yet, Atlanta is pinning many of its economic hopes on what the Olympics will render. Various campaigns to market Atlanta using the Olympics are underway and are largely dedicated to winning international

"If Atlanta pulls off the Olympics and does well we'll get a lot of free advertising." says Mr Krikelas. But if the event comes off badly, he warned that the city could be headed for a painful hang-over after the party.

Trends in the commercial



Atlanta's symbol is the Pheonic the area was rebuilt after being razed by man in the Civil War



TRADE BOOST: Many Robinson, Ireland's president, met former US president Jimmy Carter at the Carter Center in Atlanta this month - see also the report on the Center Center, page eight. President Robinson, who men at the Atlanta Chamber of Commerce, aimed to promote

Source: Atlanta Chamber of Commerce.

REGIONAL POLITICAL SCENE

Legal Services for -Multinational Clients

We are a 250 lawyer full-service law firm. Our International Group offers a complete range of legal services to multinational businesses, including:

United States and International Taxation

International Acquisitions, Mergers and Joint Ventures

United States and Eurodollar Financings International Licensing and Technology Transfers

Insurance and Reinsurance

Immigration and International Estate Planning

Litigation and Alternative Dispute Resolution

Sutherland, Asbill & Brennan

IN ATLANTA, GA 999 Peachtree St., NE Atlanta, GA 30309-3996

act: Peter Fl. Dear

111 Congress Ave., 23rd Ft. Austio, TX 78701-4079 (512) 469-3350

in New York, NY 1270 Ave. of the Americas New York, NY 10020-1700 (212) 332-3000

In Washington, DC 1275 Pennsylvania Ave., NW Washington, DC 20004-2404 (202) 383-0100

tlanta's local political scene can be a little confusing at first glance -"there is no such thing as an Atlanta government," says Tim Crimmins, a Georgia State University history professor and local political ana-

The reason is that metro Atlanta, with 2.9m inhabitants, is composed of the city of Atlanta, a relatively smallish central city, and ten far larger surrounding counties. And. just to complicate matters, another eight countles are con-sidered by the US federal government to be within Atlanta's metropolitan statistical area.

Each county has its own governmental structure intact and no intentions of consolidating into a metropolitan government. Instead, Atlanta's various political entities co-ordinate their policy-making on ssues such as water, transportation and tourism through the Atlanta Regional Commission and, most importantly. try to speak with one voice for the purpose of drawing outside

"Co-operation has lessened the need for consolidation," said Mr Harry West, the Atlanta Regional Commission's chairman. But the city and the surrounding county governments compete flercely for the prizes of economic development. And political tensions would no doubt be far higher if Atlanta were not the economic juggernaut that it is. Over the last few decades, the city has been losing more and more of its share of incoming investment to the surrounding suburbs. The shift has occurred over the last 30 years as the predominantly white, middle class suburbs have vastly grown, leaving the city of Atlanta with a predomi nantly black - and relatively poor – population of less than

400,000 A political change has accompanied the population shift. The city remains a Democratic party bastion, while the suburbs are increasingly Republican and conservative. The leading right-wing Republican congressman, Mr Newt Gingrich, who represents some of Atlanta's northern counties exemplifies the suburbs' politi-

Yet, despite some erosion of its power, the city's political influence is still dominant. It continues to be run by a working alliance of the white business elite and the black politicians who have held control of City Hall for over 20 years.

The city's mayor, Mr Bill Campbell, still plays the most crucial role in representing Atlanta. And his is a juggling act, says Prof Crimmins. While the mayor symbolically represents one of the most prosperous metropolitan areas in the US, he rules a central city that suffers from all the problems of crime, crumbling infrastructure, poor schools and insuffi-cient revenues that besiege most of the big American cities. Fortunately, he seems especially apt at having a foot in both business and political worlds. A graduate of Vander bilt and Duke Universities,

City's influence is still dominant



Atlanta's mayor, Mr Bill Campbell, plays the most crucial role in representing the city

two prestigious schools of the South, and a successful lawyer with a large Atlanta law firm, Mr Campbell is a generation away from the civil rights struggles that shaped the life of his parents and their contemporaries.

His two predecessors, Mr Maynard Jackson and Mr Andy Young, who had ruled

colour barriers for public office. Mr Jackson was Atlanta's first black mayor, and Mr Young was the first black US Ambassador to the UN. Mr Campbell's talk now is mostly about "running city government like a business." rather than racial issues. In this suited for the fiscelly straightened 1990s - "we have to find ways of doing things cheaper and with fewer people," he says. Having only been in office ten months of his four-

City Hall successively from 1973 to 1993, are of the earlier

he has already shrunk the city's bureaucracy by 400 jobs. The 1996 Olympics will sist Mr Campbell in dealing with some of the city's fiscal problems. Additional tax revenues will come in and the lion's share of \$1.5bn in Olympic investment will be in the central city, helping to keep unemployment low and improving several of the poorest neighbourhoods through

year term, Mr Campbell says

Olympic-related construction. Adding to the construction boom, Mr Campbell won voter approval in July for a \$150m bond issue for much needed city infrastructure improvements. He says that roughly 30 per cent of the projects, especially those related to streets. bridges and parks, should be completed by 1996. He also wants to put more spark in the

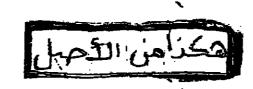
city's financial management there is vast creativity in the financial world and we need to be less stodgy," he says. One new financial tool that he has heartily supported is the sale of tax liens to a private collec-

tion agency. Mr Mitch Skandalakis, the chairman of the governing commission of Fulton County, wherein the City sits and which collects its taxes, initiated the tax lien measure. Recently approved by the commission, it will bring \$75m immediately into the county's coffers, 20 per cent of which will go to Atlanta.

Mr Skandalakis, who is running for re-election this month, says that if re-elected he will restart talks that he began recently with Mr Campbell about eliminating duplication of services between the city and the county so that both could save money. Mr Skandalakis, who is

white and conservative, also inegles political and economic interests, given that his county includes Atlanta and some of the northern suburbs that want little to do with the city. Despite their differences. Mr Skandalakis gives the most compelling reason for political cohesion in metro Atlanta. He says he wants to help Mr Campbell succeed as mayor because if Atlanta fails, the whole area fails."

Barbara Harrison



عكدامن الأجهل

VENUE FOR THE 1996 OLYMPICS

A once-in-a-lifetime opportunity

Atlanta stands to prosper much from the Olympics. In return, the guardians of the Olympic movement know they will get a superbly organised sporting extravaganza, delivered via the latest technology to several billion homes around the globe, writes Patrick Harverson

fter visiting Atlanta for even a few short days, it is impossible not to marvel at the feat achieved four years ago, when the International Olympic Committee was persuaded to award the centennial games to this thriving, but in many ways unremarkable, American city. In September 1990, most

observers believed Athens

The second strong

The state of the s

alman o promis

would be chosen as host for 1996. Given the historic ties between the Greek city and the Olympics - the first modern games were held there in 1896, so there would have been a perfect symmetry in returning a century later - the allure of Athens must have been powerful. Atlanta, in contrast, was a city best known for having been razed to the ground durmg the Civil War. How could it possibly win against Athens? Mr Billy Payne, the Atlanta lawyer whose idea it was in the first place to bid for the Olympics and who spearheaded the campaign to win the centennial games, is still not quite sure exactly how it happened. Suffice to say, he remembers the vote for

Atlanta in 1990 as a "miracle." At the time, there was much cynical carping about how Atlanta won the games because, like Los Angeles in 1984, it would generate huge profits for the Olympic movement. Or because Coca-Cola, the long-time Olympic sponsor, was based in the city. Or because only American organisational know-how could cope with the logistic nightmare

that the games had become. However, Mr Payne, who is now president of the Atlanta Committee for the Olympic Games (ACOG), insists that Atlanta's victory had nothing to do with money, or corporate influence, or notions of competence – "we had a strategy ... that at this most important time in sports history, the people who had the power to

games would do so to people that they trusted and that they liked. So we set about to do nothing more complicated than to assure them that they could trust us to take the Olympic movement into our custody at this important time, and do it great honour and justice. It was just that simple."

It was also a simple fact back in 1990, however, that Atlanta stood to prosper hugely from the Olympics, and the Olympics from Atlanta.

The latest economic impact study estimates that Atlanta and the state of Georgia will benefit to the tune of 80,000 jobs and \$5.1bn in direct and indirect spending, with a minimum \$200m in incremental sales tax revenue pouring into state coffers. In return, the guardians of the Olympic movement know they will get a superbly organised sporting extravaganza, delivered via the latest technology, and with the backing of some of the world's largest companies, to several billion homes around the

All of the money needed to run the games will come out of private sector pockets (although a small amount of public funds will be be spent on areas such as security, transportation and street repair). Yet, in spite of the financial success of the Los Angeles games, Mr Payne says that raising \$1.6bn has not been easy - "we started in a very difficult economy in 1990, and so it's happened a little bit slower than we wanted it to. Of the \$1.6bn, between the amounts already under contract through television revenues and sponsorships, and the

amounts that will come later from tickets, merchandising and concessions...we're about 92 per cent complete. So we've got to raise another \$150m, and we've already got the companies and product categories targeted."

Construction of the new Olympic stadium and the athletes village is well under way and on target to meet the completion deadlines. Of the \$1.6bn that will be spent on the 1996 games, about 35 per cent of the money will come from television (NBC paid a record \$456m for the US rights), another approximately 35 per cent from corporate sponsors (such as Coca-Cola, IBM, Visa International and Matsushita), 15 per cent from ticket sales, 10 per cent from licensing and related merchandising sales, and a final 5 per cent from the sale of Olympic-related assets after the games are complete. And in theory, when it is all over the Atlanta games should register a profit.

nevitably, the people of the Atlanta, its community leaders and its politicians are keen to know what how they

will profit from the games.

Managing civic expectations, in fact, has been one of ACOG's toughest tasks. In 1990, it was hoped that considerable Olympics-related money would be spent on improving conditions in Atlanta's blighted inner city areas. Although some spending on infrastructure and services is planned, and \$8.1m has been pledged from the Woodruff Foundation to help spruce up some neighbourhoods, many of

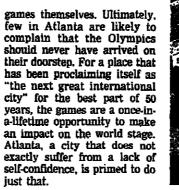
been met. Over the past few years, the Corporation for Olympic Development in Atlanta (the body created by the former mayor, Mr Maynard Jackson, to lead the city's efforts to leverage the games) has identified \$238m in public works that it believes are

needed in the city. Yet, private sector funds have not been forthcoming for those works, which has created some bitterness within the community. Pressure groups like the Atlanta Olympic Conscience Coalition, which wants to see housing and development in the inner city neighbourhoods tied to the games, want the Olympics to do more for Atlanta's neediest commu-

While Mr Payne says that hopes were too high from the start, he admits that the city and the organisers were slow to address the needs of the local community - "there was originally an anticipation that would not get done unless the Olympic committee paid for it. That was an unrealistic expectation," he says.

"Now, however, we have a very pro-active mayor, a state that is beginning to feel the Olympics extend beyond Atlanta, and a private community that supports the projects like the park [the \$50m, 60-acre Centennial Park that will be constructed in downtown Atlanta for the games]...but the Olympics are not a cure-all for every social issue that possesses this urban environ-

Arguments over who should benefit from the Olympics and how to divide the spending pie,





Personality profile: Billy Payne, an Olympics altruist

A man with a message

It might be going a bit far to describe Billy Payne as an Olympic evangelist, but not too far, writes

Patrick Harverson

hen Billy Payne, the president of the Atlanta Committee for the Olympic Games discusses the centennial games to be held in Atlanta in 1996. he speaks with the passion of a preacher. When he steps out of his office on to his balcony with its view of downtown Atlanta, and spreads his arms wide to describe the planned layout for the new Olympic park, he looks as if he is ready to deliver a sermon to an

assembled flock below. Seven years ago, Payne certainly needed a strong sense of belief in himself - if not a higher being ~ when he came up with the idea of launching an Atlanta bid for the 1996 rames. Most people at the time thought he was mad. Even three years later, when the city's highly professional bid had been submitted to the International Olympic Committee, few thought he stood much of a chance of succeed-

However, since that day in September 1990, when the IOC



Billy Payne: optimist

upset the odds and picked Atlanta over the sentimental favourite Athens, no one has made the mistake of under-estimating Payne again.

A 46-year-old attorney and former star college American football player, Payne shares the lofty ideals and cheerful optimism of another Georgian who burst on to the world stage from relative obscurity former president Jimmy Carter. And like Carter, Payne places a lot of faith in his ability to get people to trust and like him. The secret to Atlanta's successful bid in 1990, says Payne, was the fact that IOC members trusted and liked Payne and his team.

They must have also liked what he had to say – that Atlanta would do more than just put on a highly efficient es - "organisationally, logistically, technologically, we're going to be the best that the world has to offer. And yet, that's not a big enough goal. The Olympic movement is not about objective achievements, it's not about saving our venues were the best, or our transportation plan was the best. It's about whether or not we advance that which is good about the Olympic move-

Furthermore, it is proof of the power of co-operation and friendship that Payne sees as the Olympics' lasting legacy. As he puts it: "I am unaware of an international idea that has ever been articulated that has the potential and the power of the Olympic move-

That potential, of course, has not always been realised in past games - boycotts in scow and Los Angeles, terrorism in Munich. So when Payne spoke to IOC members about Atlanta's bid, he said of the Olympic movement: "It has often been abused and misused, and it's been 100 years boys, so let's get it straightened out now."

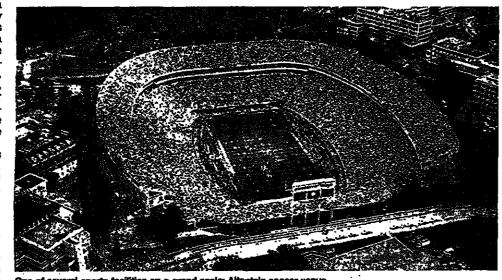
Today, the preparations certainly seem straightened out most of the money for the

games is raised, construction of the Olympic stadium and the athlete's village is well under way. In spite of having to overcome some early politi-cal hurdles, Payne says he was always confident that Atlanta could put on a good show.

awarded the games, and the words came out of President Samaranch's mouth - 'The city of Atlanta' - the success of these games was absolutely assured. There is now way the United States of America would not do whatever it took to meet or exceed the expecta-

tions of the world." Atlanta, of course, should benefit hugely from the Olympics in terms of the local economy and the region's image in the US and the wider world. For this, Payne is a hero to many Atlantans, and people say that after the summer of 1996 he could run for, and win, political office in Geor

Billy Payne, however, is very much the altruist. Like another former president, he asks not what the Olympics can do for Atlanta, but what Atlanta can do for the Olympics - "if success is measured only in what Atlanta gets out of it, then these games will have been a horrible failure. We have got to give something back to the Olympic move-



Moves to counter an encroachment by the Carolina giants

Regional banking contrasts

The banks have benefited greatly from the robust health of the regional economy, which survived the 1990-1991 nationwide recession virtually unscathed. reports Patrick Harverson

the dismay of some proud Georgians, three of the five biggest banks in the Atlanta region hail from North Carolina. Of the three out-of-state banks, two are based in Charlotte (Nationsbank and First Union) and one in Winston-Sa-lem (Wachovia). The lone Atlanta banks are SunTrust (which owns the venerable Trust Company of Georgia franchise), and

Bank South, the smallest of the big five. The supremacy of the Carolina banks is a relatively recent phenomenon. In 1984, when the south-eastern compact - a series of agreements between states in the southeast to block takeovers of local institu-tions by banks from outside the region was forged, Atlanta was the region's business capital, and its banks appeared wellplaced to prosper accordingly.

However, over the following decade while Georgia banks were stifled by the weight of cumbersome and antiquated state banking regulations, North Carolina banks were expanding rapidly through aggressive acquisitions made possible by a much more flexible regulatory environ-

By the early 1990s, consolidation among banks in the south- east had created a new breed of "super regionals," and three such giants - NationsBank, First Union and Wachovia - were firmly encamped on Atlanta banks' turf.

The largest Atlanta-based bank before consolidation was the C&S Corporation. After a series of strategic blunders, it was taken over by NCNB of Charlotte in a deal that created NationsBank, now the biggest super regional in the US. First Union and Wachovia also bought banks from Georgia and other south-eastern states.

The contrast between the development of banking in North Carolina and Georgia explains how the Atlanta banks lost their way, says Mr John Coffey, a bank analyst at the Atlanta securities firm of Robinson-

"North Carolina is almost a laboratory for banking, it's been so progressive. The state itself looks like what banking in the US will probably look like in 10 or 20 years. There are three big players who control 55 per cent of the market, and they are another 80 who control the remainder. In Georgia, there are 300 banks, yet it's a similar-sized market to North Carolina."

The encroachment of the Carolina giants, however, does not mean that Atlanta's two surviving big banks have languished these past few years. Quite the opposite. The conservatively-run SunTrust has become one of the most profitable banks in the country, and Bank South has performed a remarkable comeback from loan problems which at one point looked as if they might overwhelm the bank in

Both banks, as well as the three from North Carolina, have benefited greatly from the robust health of the regional economy, which survived the 1990-1991 nationwide recession virtually unscathed, and which continues to post above-average

Mr James Williams, SunTrust's chairman, attributes a great deal of his bank's successes to the strength of the local economy. Under the stewardship of its safetyfirst management. SunTrust has achieved the remarkable record of never having reported a decline in annual earnings. In 1993, the bank earned \$474m, 17 per cent more than in 1992, and this year SunTrust is on target to record earnings growth of

A lthough the bank's assets have grown from \$5bn to \$40bn in the past 10 years, Mr Williams says only half of that growth has come from acquisitions the remainder has been derived from internal growth.

Remaining true to its conservative philosophy, SunTrust sticks to what it knows best: loans to mid-sized companies; its long-established trust business, which serves the needs of many of Atlanta's richest families; retail banking and mortgage lending; and fund management. The bank also owns a big stake in Coca-Cola which it has held since helping the company go public in 1919, and which is now worth

Typical of the SunTrust strategy is its recent move into the mutual fund business. Since its entry last year, the bank has built up a stable of 19 mutual funds with assets of \$4.5bm. The funds are proving popular and profitable, and the bank's chairman admits they were a bit tardy in exploiting the mutual fund boom - "we should have been in earlier," says Mr Williams, "but we got in carefully. When we did it, we did it right, and we are now

highly successful." In sharp contrast to SunTrust's steady but unspectacular progress, Bank South's recent history resembles a rollercoaster ride. In 1991 the bank was close to failure, burdened by too many problem property loans, but new management arrived that year under the leadership of several former C&S executives, including turnaround

expert Mr Patrick Flinn.

With Mr Flinn as chairman, Bank South cleaned up its loan book, and rebounded strongly, forging a name for itself as Atlanta's community bank. With more than 80 per cent of the bank's business in the Atlanta metropolitan area, it fully deserves that title. As Mr Coffey of Robinson-Humphrey explains: "They're the local independent bank that is more willing to serve you than those Yankee interlopers from North Carolina. That's the way they position themselves."

An aggressive and innovative marketing campaign, some astute acquisitions in the metropolitan region, and several fast-growing businesses including mutual funds and discount broking, have all helped turn Bank South into Atlanta's premier retail

The successes of SunTrust and Bank South means they are regarded as juicy targets for takeover by larger banks in the region, or from outside the south east (the region's compact is in the process of being dismantled, and interregional banking will

soon become the norm). For Bank South, the prospect of being taken over does not seem to have quelled its appetite for expansion - "of all of them. Bank South is probably the most acquisi-tive," says Mr Coffey. "They will probably continue to cement their franchise in Atlanta. At the same time they are the most often-mentioned takeover target, just by virtue of their size. As a result, their

stock price reflects it." The analyst, however, does not think that anyone will make a move on Bank South soon - "no one could buy them without incurring significant earnings dilution. Their [defence strategy] is independence through performance, rather than through size."

Size, however, may prove a good defence for SunTrust. That, at least, is the belief of its chairman Mr James Williams, who says the bank's size (assets of \$6.6bn), plus the premium that any acquirer would have to pay, makes SunTrust too much for most banks too swallow.

A merger of equals involving SunTrust is seen by analysts as a more likely outcome, and Wachovia of North Carolina is regarded as the bank that would make the snuggest fit. For the moment, however. SunTrust is concentrating on growing its earnings and completing a massive share buyback programme – it has already spent \$300m on acquiring 7m shares and has the approval to buy another 5m - and shying away from talk of acquisitions and merg-

Mr Coffey says of SunTrust's management: "I think they see more value in paying for their own stock than someone



We Can Help You Find Your Way Around The World.

If you do business in the southeastern United States, or wait to, talk with us about your banking needs

Williamsets of over 8 to fallion Suntensi Banks hie ranks as the nations 21st largest bank holding company and is a leader in the southerst Mecontinue to my starthe most advanced cosh management systems and n chuckego savadalde Andrea International Division offers complete financial services to the growing number of Europe arrowned hims taking advantage of the business. apportunities in this last-growing region.

Suntrust Danks can help you navigate around the southeast like an expert for more information contact limik Baker: Group Vice Resident, International Division, in Adanta at (104) 588-7784.

SUNTRUST

Arthurle بالأنفاء المؤالوسانية الصانية بينية والمؤال مرتبي المثالية عليك والمراج والمراجية والمراجية

AROOM

Art Rosell

And the second of the second o

हुम्मे नर्जनायः भाषा हा

THE PART STATE

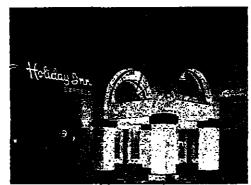
l

A ROOM

that provides all the services budget-minded travellers need, without the features they don't require on every trip. Located throughout North America, with plans for expansion into Europe, South America, and Asia, Holiday Inn Express® hotels offer:

- Comfortable guest rooms
- Free breakfast bar featuring fresh fruit, cereal, and pastries
- Rapid, efficient check-out
- Points for merchandise or airline mileage that guests can collect through the Holiday Inn Priority Club® programme





A ROOM

in a hotel with a distinctive regional personality and ambiance. Located throughout Europe and South Africa, Holiday Inn® Garden Court hotels offer:

- The reassurance of Holiday Inn at an increased number of destinations
 - Unique character and style that varies by hotel
 - Meeting and leisure facilities as well as services and amenities that are appropriate to each hotel and its location
 - Quality guest rooms
 - Points for merchandise or airline mileage that guests can collect through the Holiday Inn Priority Club programme

Holiday Inn Garden Court



A ROOM

in more than 1,500 locations around the world. In addition to dependable service and attractive facilities at an excellent value, Holiday Inn® hotels offer:

- A range of meeting facilities
- Full-service restaurant and lounge
- Swimming pool (at most hotels)
- A new alternative, Holiday Inn® Hotel & Suites, designed for extended-stay travellers desiring even more room (available soon in designated U.S. hotels)
 - Points for merchandise or airline mileage that guests can collect through the Holiday Inn Priority Club programme





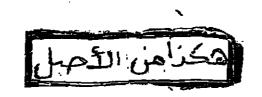
Wherever your travels take you . . . to cities large or small to apports on business or on a short break, we'll be there to take care of you. Whether you're going as near as the next town or as far away as the other side of the world, you'll find a Holiday Inn® Worldwide hotel waiting for you.

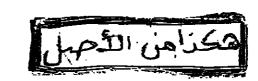
And now, the Holiday Inn Worldwide hotels that you've known and trusted are changing to serve you in eyen more and better ways. We're challenging ourselves to achieve even higher standards of quality and making this

a priority at every hotel around the world.

We're redesigning and improving the hotels that you visit regularly. Our network of "green sign" Holiday Inn hotels will participate in aggressive product and service programmes to make sure we always meet your expectations. Our popular Holiday Inn Express® hotels are being introduced in Europe, designed to offer an basics. Holiday I'm Resorts are located in desirable leisure destinations and Holiday Inno Garden Court hotels making the to form economically priced package for the traveller seeking the

Who more wellers Mons. In the Americ Inn Select and ieven greater conve In Crowne I sone of the int Instaction. These dis ad isoms service b in major marke





WIDEANNOUNCES:

A ROOM

"Cations

Idition to

attractile

u value

Utter:

acilities

and loung

ist hotels

liday Inn

ned for

desiring

thie soon

otels

dist or

Quests

i tht

Llub

in a resort offering great
value in preferred holiday
destinations, to both leisure
guests and conference delegates.
Holiday Inn® Resort hotels
can be found in preferred
destinations and offer:

- Extensive choice of features and
 services drawing on surrounding attractions, such as golf, tennis, horseback riding, and watersports
 - Swimming pool and enhanced exercise facilities
 - Full-service restaurant
 - Points for merchandise or airline mileage that guests can collect through the Holiday Inn Priority Club programme

A ROOM

in a hotel that specializes in serving the business traveller.
Holiday Inn SelectSM hotels, available soon, will be located in metropolitan areas in North America and will offer:

- Spacious, comfortable rooms with pleasing residential decor
- Well-lighted work area including dataport and voice mail
 - In-room coffee maker
 - Full business services such as photocopying and faxing
 - Meeting capabilities for small to mid-size groups
 - Swimming pool and exercise facilities
 - Full-service restaurant and lounge
 - Points for merchandise or airline mileage that guests can collect through the Holiday Inn Priority Club programme

A ROOM

in a distinctively designed hotel offering a superior standard of amenities and services.

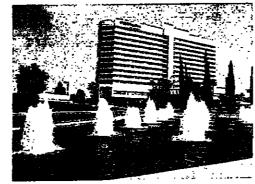
Located mainly in key business areas of major cities and at international airports,

Holiday Inn Crowne Plaza® hotels offer:

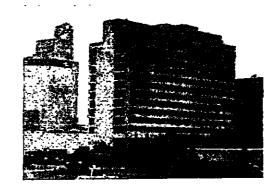
- Superior, well-appointed spacious rooms with in-room dining
- Superior hotel dining
- Concierge service to assist with a variety of guest needs
- Extensive business services
- Fully equipped meeting facilities
- Special hotel benefits as well as points for merchandise or airline mileage that guests can collect through the Holiday Inn Priority Club programme











Line here to the second second a greater selection of the second second

sembles headers in semicinery designed mariness and leasure securemental with

se to an unitment to

to service.

A WHOLE NEW WORLD

you—to provide the right hotel at the right prices, anywhere your travels take you. But, in the midst of all these changes, there is one important thing that will not change—our tradition of warm hospitality and friendly service.

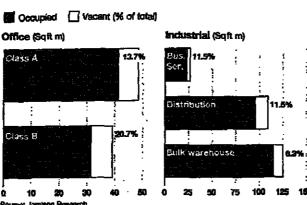
Holiday Inn Worldwide hotels. We're just around the corner . . . and all around the world. For reservations at Holiday Inn hotels, call toll-free: from Belgium 0800 1.99 77; France 05 905 999; Germany 0130 81 51 31; Italy 1678 77399; The Netherlands 060 221155; The UK 0800 897 121

ION

oliday landing

rable rable

Atlanta commercial property markets

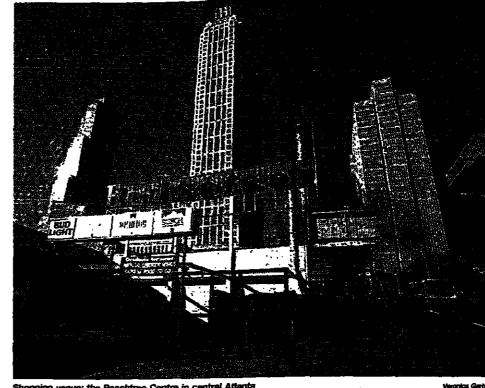


Retail (Sqft m)			
Region	at a la	% :	. '	
ellsen		•	٠.	
		:	. '	
	8.9%			
Ctrs.	:	•	. ;	
	:		<u>.</u>	
Comm	nity		13	1
			╻,	
THE PARTY			ė,	
Neighbo	MUDOC	i aluo s	mp:	11
يحبسه	- 100	- N	ļe.	
l :				

GREATER ATLANTA 6

MARKET	Millon 1993	sq # 1992	m industrial Market	Million 1993	sq ft 1992	market	Million 1993	sq ft 1992
Total market	86.2	87.4	Total market	261.0	255.1	Total market	82.1	78.2
Vacancy space	14.5	17.8	Vacant space	22.4	25.4	Vacant space	8.8	9.5
Under construction	0.0	0.4	Under constron	2.5	23	Under constrcn	1.8	2.7
New space added	0.3	3.0	New space added	5.9	3.9	New space added	3.9	0.8
Net absorption	3.0	2.6	Net absorption	8.8	7.9	Net absorption	4,6	1.4
Vacancy rate	16,8%	20.3%	Vacancy rate	8.6%	10.0%	Vacancy rate	10.7%	12.1%

in the the industrial property market involved 25.1m sq ft in 1993, compared with 22.9m sq ft in 1992



Shopping venue: the Peachtree Centre in central Atlan

TRANSPORTATION

Fanfare for new airport facilities

field Atlanta International Airport opened its new \$305m international facility - Concourse E - with as much fanfare as it could possibly muster. Hartsfield's managers had

good reason to create as much hoopla as possible, for the facility's opening was the first positive news at the airport in a long time.

From 1992 until just two months ago, when the name Hartsfield appeared in headlines it was more often than not accompanied by the words 'scandal" and "corruption." An investigation had uncovered corruption in the airport's concession business. Some of the leading figures in Atlanta's city council, including Mr Ira Jackson, the former aviation commissioner whose responsibility it was to run Hartsfield. were found to have accepted bribes from a company which had been awarded valuable contracts to run some of the airport's concessions business. Since that investigation, Mr. Jackson and several other

defendants, including the operator of the airport's Paradies chain of shops, have been convicted of various bribery, fraud and conspiracy charges.

The concessions scandal did

more than just sully the airport's and the city's reputation. The slow progress of the investigation and the court cases delayed the raising of new funds for the airport and the completion of important projects, including the construction of Concourse E and the building of a huge new atrium at the main terminal.

Ms Angela Gittens, who was given the task of restoring Hartsfield's reputation when she was appointed Atlanta's aviation general manager in November 1993, admits that morale at the airport was very low when she arrived - "we'd been wallowing for quite some time...decisions were not get-ting made. We couldn't go forward [with the new concourse] because the principal conces sionaire was involved in the scandal. It held up lot of

The delays set back the

international concourse project_ and the cost of the facility ballooned from an originally projected \$244m to more than \$300m. Consequently, Ms Gittens made opening Concourse E on schedule her top priority

last November. It was a struggle at first, she says - "it was about dealing with all of the pieces. To finish the terminal we had to get the financing. To sell the bonds we had to get [certain] agreements with the airlines. To get the agreements with the airlines, several issues outstanding had to be settled ... we moved forward, piece by piece.

The airport's managers, however, now believes the worst of the scandal is behind them. although there is still some controversy over the fact that the company at the heart of the corruption scandal - Paradies - continues to operate its Hartsfield concessions. Under Ms Gittens, however, the system for awarding concessions contracts has been changed ~ "we are now looking for business acumen [from bidders], not political influence," she says. Ultimately, the hope is that the opening of Concourse E and the completion of the main terminal atrium will focus attention on Hartsfield's future, not its past.

Concourse E is both an impressive sight - it is the largest international airport terminal in the US - and an important addition to Hartsfield, which had outgrown its previous international facilities. It has 24 gates with room for another ten, and it can handle up to 6,000 passengers an hour, compared to just 3,400 in the old concourse.

Hartsfield needed a new international facility because its non-domestic traffic, currently five per cent of total passenger traffic, is expected to grow in coming years, especially to and from Latin America. This is primarily a reflection of the alreport's reputation as an excellent connecting hub. Traditionally, Hartsfield has handled more passengers joining connecting flights than "origin and destination" passengers, but that is changing. While origin and destination

passengers accounted for just 26 per cent of total traffic four years ago, today they account for 40 per cent - "we're no longer just an airport where people change planes," says Ms Gittens. In some ways, Hartsfield is a microcosm of the US commerical aviation business. In 1991, the economic recession and the financial crisis among many domestic carriers led to a sharp drop in passenger traffic and revenues, especially after Eastern Airlines, which used Atlanta as a hub, went out of business.

Yet, the industry - and with it Hartsfield - has been slowly recovering from the losses and turmoil of the early 1990s, aided by the growth of the local economy and the arrival of a number of new. predominantly low-cost airlines. The business which was lost when Eastern collapsed has been more than recouped with business from new start-up carriers such as ValuJet, Air South and National Airlines, all of which fly out of Hartsfield.

Ms Gittens says that "in some ways, Eastern's demise -



Terminal buildings at Hartsfield International Airport which is said to be the second busiest airport in the world. handling 50m passengers a year and an average of 1.500 flights a dev

while unfortunate in terms of the economy of the area and jobs - created some opportunities for other carriers, and for more origin and destination traffic. And it offered the Atlanta-area flying public some opportunities for lower fares."

Hatsfield has been fortunate in that it has not borne the brunt of the downsizing by Delta. The financially-strapped airline is headquartered in Atlanta, uses the airport as its main hub, and is the region's biggest private employer. Although Delta is in the midgramme, Ms Gittens says the carrier has been expanding its operations at Hartsfield recently.

For now, Altanta's airport looks well set for the future. The Olympic games in 1996 will give it a chance to grab the spotlight, and see how well its new international concourse handles a sudden inflow of overseas passengers. They are likely to be impressed. Hartsfield is user-friendly, with well-designed terminals connected by an efficient under

ground rail system, and linked to Atlanta by a fast and cheap rapid-transit line, the Marta.

These assets have not been overlooked by passengers. For the past four years, Hartsfield has been selected the best airport in North America by readers of Business Traveler magazine. With its new international concourse, and soon a handsome new atrium in the main terminal, Atlanta's airport is aiming for five in a

Patrick Harverson

When you're visiting

here are some of the newsstands in the area where you can buy the Financial Times:

Atlanta

Ritz Carlton 181 Peachtree St.

Eastern News Peachtree Center

Eastern News 133 Peachtree St.

Eastern News Equitable Bldg.

WH Smith 210 Peachtree St.

WH Smith 265 Peachtree St.

US News 1100 Peachtree St. Barnes & Noble **Bookstores** 2900 Peachtree Road, NE

•4775 Ashford **Dunwoody Road**

Borders Books 3655 Roswell Road

Oxford Bookstores 2345 Peachtree St.

360 Pharr Road

 1201 West Paces Ferry Road

Alpharetta

Harry's Farmers Market

Duluth

Harry's Farmers Market 2025 Satellite Blvd.

Marietta

Walden Books 1197 Johnson Ferry Road

Newscenter 667 S. Marietta Parkway

Harry's Farmers Market 70 Powers Ferry Road



FINANCIAL TIMES

TO SUBSCRIBE, or for further information, contact your nearest Financial Times office:

NEW YORK Tel: 800-628-8088 Fax: (212) 308-2397

FRANKFURT: Tel: +49 69 156850 Fax: +49 69 596 4483

TOKYO: Tel: (813) 3295 1711 Fax: (813) 3295 1712

Bringing a legend to life The citizens of Villa Rica, a nity is also eagerly awaiting oper Mark Driscoll says the that would call to mind community of 4,000 on Atlan- the development of the park project remains on schedule the legendary Tara planta's "forgotten" west side, -"this is a dead town," says

Coming soon: The 'Gone With The Wind' theme park

ation of Gone With the Wind Historians are fond of noting that the sprawling, becolumned southern mansions of the type made famous by Hollywood never existed this far inland. Even the ramshackle house where Margaret Mitchell penned her famous book has been destroyed by fire. Tourists, take heart: after

years of residing only in the pages of Ms Mitchell's novel and on the silver screen, Tara and its sister plantation, Twelve Oaks - will at last have a home in Atlanta – or at least close to Atlanta. A California company has announced plans to build a "Gone With the Wind Country" theme park near the tiny village of Villa Rica, about 32 miles west of

the city.
Scheduled to open in the spring of 1996, a few months before the summer Olympics, the \$50m park will be aimed at a mature audience interested in how the film was produced. Developers hope the main attractions - replicas of the Tara and Twelve Oaks film sets - will draw \$50,000 a year of the more than 16m tourists

who visit Atlanta annually.
The park, expected to employ between 150 and 300 people in its first year, will feature horseback riding, a \$10m golf course, a \$35m hotel and a \$17m condominium development, bringing the overall cost of the complex to more than \$100m by 1997.

aiready are seeing dollar signs. The town describes itself in tourist literature as a "City of Gold", and with the construction of Gone With the Wind Country in their back yard, residents believe they may finally have struck the mother lode - "property values are already going up," says Jeane Williams of the Villa Rica city council. Her concern is whether the town is ready to cope with the increased traffic and congestion the 1,200-acre park will bring to this rural community, which until now had largely escaped develop-

Neal McCreary, a Villa Rica property agent, says that Ms Williams has nothing to fear except the loss of some of Villa Rica's small-town charm.

"All the revenue the park will generate doesn't represent any strain on our infrastructure," he says. "The park itself will not put one additional child in our schools. That's a good type of revenue to have

we're getting the Gone With the Wind theme park. The city council has been supportive, and most of the citizens can't wait until it's built."

Andy Henshaw, city man-ager at the city hall, pre-dicts that the park will double tax revenues to the town within three to four years - "everyone is elated that

Grady Vickery, manager of Dangar's Feed & Seed. "There's nothing here to attract people. An attraction like [Gone With the Wind Country] isn't going

to hurt anything."
He expects the park to give an immediate lift to local hotels and restaurants, and hopes that he can cash in, too - "it's Tara, right? They might have to have something like hogs on that farm. Those ani-mals have got to eat."

Whether Gone With the Wind County will share its riches with the likes of Mr Vickery, remains to be seen, but Mr Henshaw believes the park will turn Villa Rica into a land of opportunity - "a lot of our citizens are under-employed to some degree." he says. "What we hope to do is provide good-paying jobs so they can support their fami-

The cost to the city for the park and the opportunities it may bring is estimated at \$316,000 for extension of water and sewer services. Acquisition of right of way for new roads may add to that figure. County, state and federal governments are pitching in for a highway overpass in an incentive package valued at more than \$3m.

Snags in the highway overpass construction deal have already delayed ground-breaking on the park by about a year, according to local news paper reports. But park develfor a 1996 opening, the year the And Mr Driscoll hopes Gone

With the Wind Country will be able to capitalise on the allure of a state that is already second in the South in terms of tourism, (behind Florida) and fourth in the country in convention attendance.

Mr Driscoll is a former tainment Group, which has designed and produced theme parks for MCA/Universal Studios. Busch Entertainment. Caesars Palace and Six Flags. He formed Georgia Holdings with Gary Goddard, Landmark's chief executive, and began searching the Atlanta metro area for a home for Tara in 1992. Turner Home Entertainment, which owns rights to the film, has licensed Mr Driscoll to develop a park using Gone With the Wind as a

It is a theme that vividly defines the American South in the minds of many people across the world, including many Southerners. But privately, some local residents of Villa Rica worry that the park's portrayal of an era rooted in slavery might lead to racial tensions.

For his part, Mr Driscoll has promised to feature the contributions of African Americans to Southern culture through such facilities as music (the blues) and food, (barbecues).

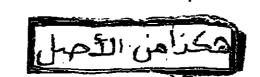
David Morris

ONSTANT AND COL

ETERSON DILLLARD ASSELIN POWELL A



Atlanta in flames - a scene from MGM's classic film, Gone With the Wind



It all began in Atlanta - Richard Tomkins looks at the remarkable story behind the world's best-known trade mark

one with the strongest histori-

indeed, the company's best-

selling product, the Coca-Cola

soft drink, was born in

Atlanta more than a century

ago. According to legend, the

first Coca-Cola syrup was

brewed up in the city on May

8, 1886 by Dr John Pemberton,

a local pharmacist, in a

three-legged brass pot in his backyard. Dr Smith carried a

jug of the product down the

road to Jacobs' Pharmacy

where it was tasted, pro-nounced good, and placed on

sale as a soda fountain drink

Coke has come on a bit since

then: today, it is the world's

most ubiquitous consumer

product, the world's best-

known trade mark and by far

the world's best-selling soft

drink. If you include the com-

bly, Fanta and Sprite - Coca-

Cola accounts for nearly half

the world's annual consump-

any's other products - nota-

at 5 cents a glass.

cal links to it.

4 6 C 1 2 C

Soft drinks company is at the forefront of Atlanta community projects

The home of Coca-Cola

tion of soft drinks. oca-Cola may not be the How did Coca-Cola do it? It biggest company in helped that people liked the Atlanta: in terms of drink (ingredients of the early sheer head-count, Delta, version included coca leaves AT&T, BellSouth and Lockand cola nuts, producing an heed employ more people. But exhibarating cocktail of it is the company most com-monly associated with the cocaine and caffeine). But there was more to it than that. city, and without doubt the

Much of the company's early growth was attributable to the business acumen of Asa Candler, an Atlantan who bought the business from Dr Pemberton and greatly expanded it through innovative advertising. Then, in 1919, the Candler family interests sold the company to a syndicate led by Ernest Woodruff, another Atlantan, for \$25m - at the time, the biggest financial transaction the south had

Before long, however, the company was in trouble. There were legal disputes with bottlers, sugar prices were turbulent, imitators were rampant and sales were down. There was even talk that the company could go under. But in 1923, Ernest's son, Robert Woodruff, was elected president. This highly successful businessman was to lead the company for the next six decades. One of Robert Woodruff's most astute moves was to embark on a big interna-



Where it all began at five cents a glass: Jacobs' Pharmacy in 1886

tional expansion for Coca-Cola. To a large degree, the foundations for this expansion were laid during the Second World War when Woodruff declared it his objective "to see that every man in uniform gets a bottle of Coca-Cola for 5 cents wherever he is and whatever it costs the company." The result was that 64 bottling plants were shipped

of Coke were consumed. The reason this proved so important was that the presence of Coca-Cola did more than lift the morale of the troops. In many areas, it gave people their first taste of CocaCola - a taste they obviously enjoyed. And when peace returned, the Coca-Cola system was poised for the rapid international growth that continues today. This explains one of the big

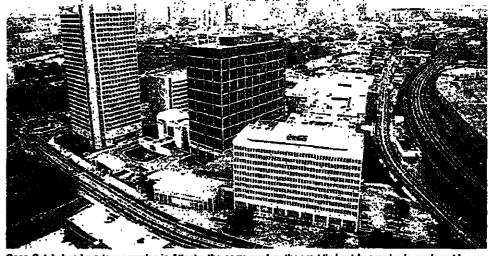
differences between Coca-Cola and its rival PepsiCo, the US manufacturer of Pepsi-Cola. In the US, Coke struggles to out-sell Pepsi. But in the rest of the world, the only big markets which Pepsi has been able to dominate are those from which Coke was at one time excluded for political reasons such as the former Soviet Union and the Middle East. The result is that Coke now

gets about 80 per cent of its operating profits from outside the US, while the figure for PepsiCo's beverage division is barely 16 per cent.

Although Coca-Cola is easily the world's biggest soft drinks company, and growing bigger by the day, it cannot afford to relax. Recently, competition from private label colas has been an irritant in the US, Canada and the UK, and in the US Coca-Cola is having to react to the rapid growth of alternative beverages such as iced teas and fruit juice drinks, introducing its own range of "natural" drinks. But the company's strong profits growth suggests it is doing the right things: last year, net income rose by 19 per cent to a record \$2.2bn, excluding

For Atlanta, it is just as well. Apart from the fact that Coca-Cola and its bottling affiliates provide employment for nearly 8,000 people in the city, the company has a reputation for being Atlanta's leading corporate citizen, pursning long-standing strategy of philanthropic involvement in the community.
This philanthropic involve-

ment began with Robert Woodruff, whose contributions to Atlanta's arts, to cultural



easily the biggest international soft drinks company - and growing bigger by the day

organisations and to educational communities amounted to hundreds of millions of dollars over his lifetime.

The tradition has been continued by the company itself not least through the creation in 1984 of the Coca-Cola Foundation, an organisation dedicated to supporting excellence in education.

Examples of the founda-tion's work in Atlanta over the last year or so include a \$2m contribution to Clark Atlanta University to support teacher eduction and to develop a School of Public and International Affairs; a contribution of \$1m to Morris Brown College to support faculty chair endowments and the Presiden-tial Scolars Program for African-American students; and a \$1m gift to Georgia State University for the renovation of the Rialto Theatre and two nearby buildings to help revive the historic Fairlie-Pop-

In the arts field, Coca-Cola makes contributions totalling more than \$1m a year to about 40 organisations. It recently pledged \$500,000 to the Martin Luther King Jr Center which aims to advance the non-violent philosophies fo Dr King in the ares of training, research and education. And it made a

\$1m commitment to the Atlanta Project, an initiative established by the former president Jimmy Carter to fight poverty and hopelessness in

Atlanta's business leaders are unstinting in their praise of Coca-Cola's contribution to the city – "if every company were as community-minded as Coca-Cola, we would have a Utopian city here," says Mr Gerald Bartels, president of the Atlanta Chamber of Commerce. "They are always in the forefront of any commu-nity project with their money, with their leadership, with

Decade of growth for Atlanta-based BellSouth

Largest of the Baby Bells

phone and Telegraph (AT&T) was broken up in 1984 and its local phone companies divided into regional operating companies, the Atlanta-based BellSouth was the largest, and fastestgrowing, of the seven "Baby Bells."

Today, with annual revenues of more than \$16bn and assets of \$40hn, it remains the largest and fastest-growing Baby Bell. an indication that BellSouth has not wasted the opportunity during its first decade to build on the strengths evident at the company's birth.

Chief among those strengths was the potential of its local market. BellSouth has had the good fortune to serve nine states based in the country's fastest-growing region, the southeast. While much of the rest of the US endured a recession in 1990-1991, and a subsequent slow and uneven recovery, the southeast sailed through the stormy waters of the period relatively unscathed and today continues to lead the nation in the pace of its economic expansion.

Buoyed by an influx of both residential and business customers moving into the region from other parts of the US. growth in Bell South's access lines - the typical measure of a phone company's growth - has been the best in the industry. The company added 665,000 access lines in 1993, a rate it expects to top this year.

The population migration into the southeast has been pretty steady for last couple of decades, and we get a direct benefit from that because people want communications," says Mr John Clendenin, chairman and chief executive of BellSouth since its inception.

garata, ya sasawa

The company has spent a lot of money over the years on its phone system in the region, an investment in technology which Mr Clendenin regards as crucial if BellSouth is going to maintain its growth rate.

Between 1988 and the end of 1993, the company spent a total of \$18bn on modernising its phone system. This year, another \$3bn is scheduled to be spent on upgrading the system's technology.

Heavy expenditure on technology is just one element of a three-part strategy BellSouth is pursuing - the others involve

property.

Constant & Constant

Sea Containers House

20 Upper Ground

Blackfriars Bridge

London SEI 9PD

Tel 071 261 0006

Fax: 071 401 2161

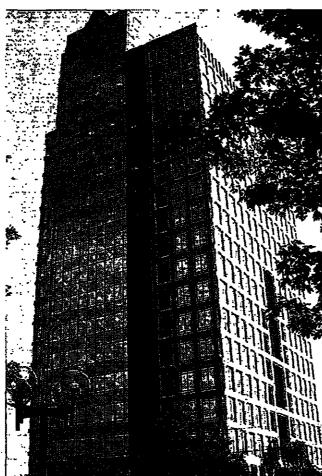
Contact: Ian Taylorson

wireless cellular phone, paging and mobile data businesses (especially overseas, where the company is now the world's largest cellular operator), and a more cautious foray into the cable television market, where the company hopes to benefit from the much talked-about convergence of the telecommunications, computer and entertainment industries.

Of BellSouth's careful entry into the cable television busi-

BellSouth's chairman describes the experiment - which the company hopes will be approved by federal regulators later this year - as "a fully interactive, fibre-optic system carrying communications and video programming into the Prime Management, the 24th

largest cable operator in the US which has been 22.5 per cent-owned by BellSouth since last year, is a key partner in the Atlanta test operation.



The headquarters of BellSouth in Atlanta which has the good fortune to serve nine states based in the country's fastest-growing region

ess, Mr Clendenin says: "We're a very active participant in the explorations going on. All of the Baby Bells are getting their feet wet in this. We have not gone into cable overseas the way some have but we are trying to learn the

Its first lesson will come from a planned deployment of video technology to 12,000 homes in the Atlanta suburbs.

Peterson Diffard Young Asselfn

Powell & Wilson

230 Peachtree Street, N.W.

Atlanta Georgia 30303

TeL (404) 523 3300

Fax. (404) 522 6000

Contact: Mac Young

Suite 1100

CONSTANT AND CONSTANT

London and Paris - Solicitors

PETERSON DILLARD YOUNG

ASSELIN POWELL & WILSON

Arlanta Georgia - Attorneys at Law

An association of two law firms established to provide

professional services between the UK, Europe and the South East

U.S.A. advising on acquisitions and mergers, general company

commercial and contractual matters, tax, banking, finance and

which Mr Clendenin hopes will reveal the technology's potential - "we'll learn a lot about what the customer wants, what they'll pay for, how they'll use it: it will become a platform for wider deployment."

The partnership with Prime

is typical of the BellSouth policy of seeking partners whenever it explores new markets. This strategy is readily apparent in many of the company's wireless businesses - such as its co-operative ventures with Intel, RAM Mobile Data and Ericsson GE to market mobile computing and cellular-paging products - but it is probably nowhere more evident than in

Outside the US, BellSouth has concentrated its energies in developing a significant presence in an eclectic mix of national cellular markets. While the company will be the fourth largest cellular operator in the US when the Bell Atlantic-Nynex union is completed, it is the largest global cellular

its fast-growing overseas busi-

operator based in the US. BellSouth has been pursuing its aggressive international strategy since the mid- to late-1980s, starting in Latin America and later France, Germany and other parts of Europe. The company is also moving into the near east (Israel), and the Far East - most notably China - and has long had a sizeable stake in Australia and New

BellSouth shies away from wired telecommunications systems because it believes the cellular business offers a much more secure foothold in foreign markets. As Mr Clendenin says: "Cellular in many of

these countries has been a godsend. The telephone system in Caracas [Venezual] was so bad that you couldn't get a call through even if you were the president. Cellular came in and bypassed the local system, and performed marvelously as a substitute for local phone ser-BellSouth's most exciting

overseas adventure is arguably in Australia, where it supplements its cellular business with its partially-owned subsidiary Optus Communications, the country's second largest long-distance and business network service operator. The company is also moving into the currently undeveloped Australian cable television market with its usual team of local partners.

In some ways, BellSouth appears to be using Australia as a telecommunications laboratory. As Mr Charles Coe, president of BellSouth International, says of the company's business there: "It will define the full potential of the relationship between telephone and cable TV operators." He has such high hopes of the Australia operations that Mr Coe expects revenues from the country to reach \$1bn by 1996.

■ xpansion overseas. big spending on technology at home, and new investments in the cable business none of this comes cheaply. and like most Baby Bells, Bell-South has been working hard to contain its escalating costs. The company, in fact, has been paring its payrolls since 1987, and last year that process culminated in the announcement of a plan to reduce the total workforce of about 80.000 by 10,200 before the end of

The cuts in the plan, which should realise annual savings of \$600m, come on top of previous workforce reductions totalling 6.500 jobs. To pay for some of these moves, the company took a restructuring charge of \$1.1bn last year.

BellSouth, however, faces a tough task subduing cost growth because its core business - providing phone services in the south-east - is expanding so fast.

'We have an unusual problem - a big growth rate...which has complicated the downsizing [process]," says Mr Clendenin. "We have to downsize with a scalpel - we can't not be there to provide service when you move into your home in Tuscaloosa."

Mr Clendenin, however, says that the company's target of reducing the workforce by 10,200 within the next two years could increase if circumstances dictate. How this will affect the

Atlanta-area - where 16,000 BellSouth employees work - is uncertain, because BellSouth has not provided a breakdown of where the cuts will be made. The company, however, is happy to point out that its business contributes an estimated \$2.5bn a year to the city's economy.

Public contracts are vital to the success of minority-owned businesses, reports David Morris, but local competition remains intense

ver the past decade, the C D Moody construction company has worked on some of Atlanta's biggest building projects: Underground Atlanta, a large shopping mall and tourist attraction in the city centre, the Georgia Dome, site of the 1994 Super Bowl, and the new atrium at the ever-expanding Hartsfield International Airport. Not bad for a seven-year-old, blackowned company with only 47 employees on the payroll.

David Moody, the architect who incorporated the firm in 1988, believes Atlanta's progressive public policy has "The city of Atlanta's minor-

ity participation program was a great help," says Mr Moody, whose company will generate \$8m in revenues this year. "They are serious about it ... Because of it, I've been able to get my foot in the door. Mr Moody's experience supports the argument of many economists that Atlanta is among the best places for African American entrepreneurs to do business.

But whether or not Atlanta is an oasis of black entrepreneurship depends to some extent on who one asks. Some Atlantans say the notion of the city as a 'Mecca' for black entrepreneurs is a myth and point to statistics that show Atlanta lagging behind other metropolitan areas in minority business success.

According to a recent study by researchers at Clark Atlanta University, Atlanta barely makes the top-10 list of leading metropolitan areas in terms of black business growth.

Washington D.C. Houston and Sacramento beat the city in terms of black businesses per 100,000 African Americans. And black-owned companies produce only 1 per cent of the Atlanta metro area jobs and less than 3.2 per cent of its business receipts.

Bob Holmes, a state legislator from Atlanta and co-author of the study The Status of Black Atlanta, says the idea of of black businesses is "over hyped" - the product of an effective but misleading public relations effort on the city's part. Most black-owned businesses in the city are marginal he says, and points out that the African American share of total business receipts has fallen since 1977.

Moreover. Atlanta's black entrepreneurs face the same obstacles as black entrepreneurs anywhere. Most business growth is in the suburbs, away from black population centres. and discrimination means black businesses have more trouble securing loans and doing business within the private sector.

According to the study, discrimination against blackowned businesses comes in many forms, showing up in bonding, price differential ... refusal to use [minority] subcontractors, bid manipulation...double standards in performance and qualification ... slow payment and nonpayment" and "exclusion from the 'Good Old Boy Network' in subcontracting.

Patrick Harverson | The report acknowledges.

MINORITY-OWNED BUSINESSES

Catalyst for economic growth in black areas

generate 80 per cent of their

however, that great gains have been made in opening up the public sector to minorityowned businesses, and many black firms are thriving in the rich Atlanta market,

Mr Moody's ability to build his business on lucrative government contracts is evidence of this, as is a study by Georgia Tech economist Thomas Boston now under way. Mr Boston argues that Atlanta, while not a Mecca, is a thriving centre of black industry and commerce.

"There is probably not another metro area in the country with as many programs for minority entrepreneurs," says Mr Boston, who cites contracting policies that require a minimum percentage government business to be set aside for minorities.

Set-asides are mandatory for the city of Atlanta and Fulton County (in which the city is located), the Atlanta transit authority, and the Atlanta school board. Voluntary programs are in place at the Atlanta hospital authority and in neighbouring DeKalb

But black contractors still find it hard to break into the private sector. According to the Clark Atlanta study, Atlanta's minority contractors get 93 per cent of their revenues from the public sector and only 7 per cent from private markets. In contrast, white contractors

sales from the private sector. Mr Boston maintains that public contracts are a vital engine for growth among minority-owned businesses. These programmes allow market penetration by minorities . . . in areas that were heretofore closed to them." he says. This, he adds, enables minority businesses to build strong revenue bases from which to launch ventures into the private sector.

Meanwhile, Mr Boston argues, the atmosphere for black business in Atlanta is far better than the Clark Atlanta study suggests. First, he says, according to his own research, arbitrary census criteria for black-owned businesses have left nearly three black-owned firms not counted as such for every one that is recorded. Thus, he says, "the capacity of black-owned firms is greater

terms of average revenue, the rate of revenue growth and the start-up rate. Atlanta ranks first among lead-

ing metropolitan areas. Most agree that there is a trend toward greater business growth in the suburbs at the expense of the city centre, where Atlanta's black population is largely concentrated. That business growth includes high-revenue black-owned

businesses, the presence of which in the suburbs parallels a movement by more-affluent blacks away from the city centre. But regardless of where they are located, black-owned businesses are a catalyst for economic growth in the black community, no matter how dispersed that community is

"Black-owned businesses on average have 85 per cent black employees," Mr Boston says. Atlanta's black entrepreneurs, like minority business people across the country, face significant problems in the area of financing and credit, he adds. The amount of start-up and improvement capital available to black businesses is limited, according to the Atlanta Economic Development Commis-

In this sense, the city is a victim of its own success: the sheer number of businesses makes it difficult to secure financing. That, according to Mr Moody, should not be a deterrent to ambitious black entrepreneurs. If he had to start all over again in business, he

says, he would do it in Atlanta. "Construction is a tough business, and minority contractors have to prove themselves constantly. But as far as the public market is concerned, we're on an equal playing field now."

HOW TO DISTINGUISH THE CASH COW FROM THE BULL.



In the international arena, there are no shortcuts to tell you which promising ideas will have profitable results. For over a century, Kilpatrick & Cody has built a track record of success for its clients based on proven expertise and sound experience.

As Atlanta's only law firm with offices in both London and Brussels, we offer worldwide legal resources. And a talent for knowing prime stock from the bum steer.



Please contact - Atlanta, G. Kimbrough Taylor, Jr., (404) \$15-6490; London Flenty F. Off. (011) (44) (171) 321-0477; Brussels, Jefferson Davis, Jr. (011) (32) (2) 533-0300

Atlanta - Augusta Washington London Brussels

Spotlight on the Carter Centre

atop a hill overlooking the objectives of the institution set up by former president Jimmy Carter match its lofty

location. The centre, backed by millions of dollars in funds from individual donors, corporations and private foundations, is dedicated to "fighting disease, hunger, poverty, conflict and oppression through collaborative initiatives in the areas of democratisation and development, global health and urban revitalisation."

Although it has been pursuing these ambitious goals since 1982 when it was established alongside the Carter presidential library and museum, its work did not begin to attract much attention until more recently, when Mr Carter's high-profile role as a freelance foreign policy trouble-shooter focused the spotlight on the ex-president and the Carter Cen-

So active has Mr Carter been in tackling political problems around the world from his base in Atlanta that some foreign policy pundits have dubbed the Carter Centre the "State

■ he Carter Centre sits Department of the South." The nickname, however, is not likely to be popular at the centre, which goes out of its way to emphasise that it has no ties with the federal government.

Its non-governmental, nonpartisan status, in fact, is the institution's greatest asset when it comes to meeting its most challenging objective conflict resolution.

Its independence from official political and diplomatic structures enables the centre to become involved in disputes without taking sides, and it allows the staff and Mr Carter to negotiate with political and military leaders who may be persona non grata in Washington and other capitals. As Mr Carter explained to an audience at his Centre last month: "I deal with the people the United States considers unsa-

Aside from Mr Carter's role last month in helping to facili-tate the peaceful removal of the military government in Halti and his efforts earlier in the year helping to cool tensions between North and South Korea, he and the Centre have been involved in less-publicised work in strife-torn coun-



tries such as Ethiopia, Liberia and Sudan. Mr Carter also keeps a line open to Fidel Castro, Cuba's isolated leader. The centre's international role does not stop at conflict

resolution, however. Its also

draft new constitutions and manage the transition to democracy. Additionally, the centre and its staff run programmes in the developing world aimed at improving agriculture and food production, disease prevention and the quality of health care.

While much of this work is conducted away from the public eye, the diplomatic initiatives, particularly those embarked upon by Mr Carter personally, have often come under intense scrutiny. The response to these efforts has not always been favourable. In the past. Mr Carter has been criticised for interfering with US foreign policy, and sometimes for undermining or contradicting that policy.

The former president's rek-

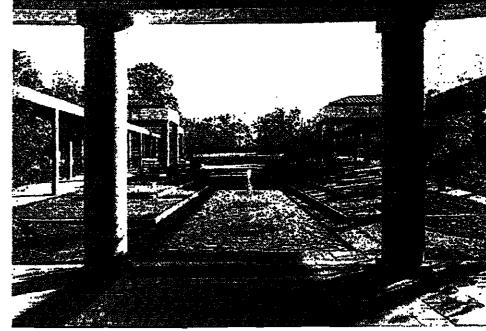
nowned ability to see something positive in almost everyone he meets has also left him vulnerable to attacks that he coddles dictators and terrorists. As one State Department official put it recently: "Some tyrant will say, 'I don't have to listen to the American government representative, because I can always call Atlanta and get a better deal."

It was recently discovered. for example, that Mr Carter tried in 1991 to persuade foreign leaders to not back President Bush's coalition to liberate Kuwait from Iraqi control because he believed he could act as a mediator between the US and Saddam Hussein.

Although they conform with the Carter Centre's broader mission to "wage peace" around the world, some of Mr Carter's forays into foreign policy situations are not necessarily part of the Centre's official work - much of which is conducted in less glamorous arenas, both abroad and at home. On the domestic front, the

centre and its staff devote a lot

of energy on improving conditions in the nation's inner cities. The Atlanta Project (known as TAP) is probably the centre's best known dome tic programme. Launched in October, 1991, TAP helps communities in Atlanta's 20 poorest neighbourhoods tackle their problems, among them crime homelessness drug abuse, teenage pregnancy. unemployment, and poor health. That help involves providing each of the 20 Atlanta neighbourhood "clusters" with



The Museum of the Jimmy Certer Centre, Atlanta, provides a glimpse of the American presidency

corporate sponsors (Coca-Cola, Bell South and Marriott are among the TAP supporters), recruiting a force of local vol-unteers to work in the communities, and enabling the clusters gain access to federal or

state funds. So far. TAP's work has ranged from somewhat vague initiatives such as a survey of residents's views on how to tackle crime, to more tangible problem-solving efforts such as a massive child innoculation drive and a successful campaign to make it easier for Atlanta families to the apply

for public financial assistance. TAP has its critics, including those who say its impact upon local communities' problems depends too much on the level of commitment from each cluster's corporate sponsor, and those who have chided the project's director for being

Peachtree Rd ...

Kamogawa (Japanese),

Snopping

eknights.

Leisure

(404) 892-2414.

(404) 892-3303.

☐ Museums include:

shows .

522-5500.

□ Also of interest:

headquarters .

Avenue, NE

■ Climate

Tourist events, details

589-7456.

Hedgerose Heights Inn. (continental), 490 East Paces Ferry Rd (404) 233-7673. Savannah Fish Company, Peachtree

The Restaurant, (French), 181 Peachtree

McKinnon's Louisiane (Creole, Cajun),

Atlanta's shopping centres are usually open Monday to Saturday from 10 am

Many stay open until 9 or 9:30 pm on

Underground Atlanta, at Martin Luther

King Jr Drive and Peachtree Street is a

downtown complex featuring specialty

merchandise kiosks, as well as restaurants

Sunday until 10 pm, while restaurants and

Lenox Square, The Galleria, and Peachtree

boutiques, department stores and

and nightclubs. The shops are open

weekdays until 9 pm and Saturday and

nightspots stay open much later. Other

shopping centers include Phipps Plaza.

Center, see telephone numbers above.

The Robert W. Woodfruff Arts Center

houses the Atlanta Symphony Orchestra,

(404) 892-3600; and The Alliance Theatre,

The Fox Theatre offers touring Broadway

Atlanta Ballet performs at various venues .

Omni Coliseum, 100 Techwood Drive, NW, (404) 249-6400 is home to the Atlanta Hawks basketball team. The Atlanta

Falcons football team plays at the Georgia

Drive (404) 814-4000. Apex Museum of African American

History, 135 Aubum Avenue, NE (404)

Museum, 395 Piedmont Avenue (404)

Luther King Jr Drive at Central Ave ... (404)

King Center, 449 Auburn Ave (404)

CNN Center, daily tours of the broadcast

Atlanta Botanical Garden, 1345 Piedmont

... (404) 876-5858.

High Museum of Art, 1280 Peachtree

Atlanta History Center, 3101 Andrews

SciTrek, The Science and Technology

World of Coca-Cola Pavilion, 55 Martin

until 6 pm; and Sunday noon until 5 pm.

(404) 659-0400.

.. (404) 841-0314.

... (404)237-1313.

800 283 6699

... (4Ö4) 249-64Ö0.

3300 Peachtree

Street & International Boulevard

community ("sensitivity training" was subsequently arranged for TAP participants). There has also been some disillusionment over the lack of more noticeable progress in improving the life of the urban poor. These criticisms, however, have not prevented the Carter Centre from planning a national version of TAP, called The America Project.

65 to fall stro

1993 recore

de la lat. In

Ethit to US for \$500

States in this last of

~1:₉₀ ~1:₉₇

≂ : : :

Patrick Harverson

Aggressive expansion by CNN television network

A leader in global TV news

Along with the movie Gone with the Wind, Martin Luther King and its baseball team the Braves, Atlanta is probably best known throughout the US as home to CNN, the all-news cable television network which sprung to national - and international - prominence several years ago with its coverage of the Gulf War.

Yet, the benefits CNN bring to the city go beyond the kudos of national name-recognition. The network, which is part of the giant entertainment group Turner Broadcasting System owned by Mr Ted Turner, is also a leading employer in the metropolitan area as well as a considerable tourist attraction. The CNN Centre in downtown Atlanta is visited daily by many hundreds, eager to see at first-hand the production of CNN's television program-

The network has come a long way from the early 1980s, when it was widely derided as "Chicken Noodle News." The brainchild of Mr Turner, who foresaw a demand for 24-hour television news long before anyone else, CNN is regarded as an important news source for a hardcore audience of US ing in times of national and international crisis by many

However, CNN's ratings have never been that large - it typically attracts about 400.000 viewers in the US - and recently its ratings have begun to slide. In the first quarter of this year, CNN's ratings in the US were down 25 per cent on the same period of 1993, and in the first six months of this year lower ratings contributed to flat advertising revenues. Without continued growth in CNN International, the network's non-US operation, CNN would have reported a decline in revenues for the first half of

Yet, some of the decline in ratings cannot be blamed on CNN itself - like any news service, it needs big news events to keep viewers tuned in, and during the first half of 1994 a lack of big news, combined with improving competition from local newscasts and specialist news magazines, took their toll. (Although the double-murder story involving sports star OJ Simpson was huge news in the US, CNN faced stiff competition from local news purveyors and specialist channels such as Court

The recent weakness in domestic ratings, however, cannot obscure the fact that CNN remains a handsomely profitable business for its parent TBS. Last year, it generated an operating profit of \$231m on revenues of almost

Moreover, CNN's ratings have always moved with the news cycle, and the third quar-



Sporting a CNN teeshirt, this vounceter is one of hundreds of daily visitors to the CNN Centre in Atlanta, eager to glimpse the production of TV programmes

stories with a strong US and international dimension - the crisis in Haiti and the threat of another invasion of Kuwait by Iraq - could pay off in the form of higher viewership for the second half of this year.

Furthermore, the maturing of its domestic market need not be so worrying as long as CNN continues to build revenues from its international operation. After years of losing money, CNNI is now in profit and the fastest-growing arm of CNN. Its revenues last year totalled about \$100m, and this year CCNI is expected to earn between \$50m and \$60m on revenues of \$113m. That is a considerable improvement from four years ago, when CNNI lost a little over \$3m on revenues of

This growth has come from aggressive expansion into new markets in three main regions - Latin America, Europe, and Asia-Pacific. It has been accomplished mostly by adding new satellites that carry larger "footprints" which enable CNNI's programmes to be broadcast on a more powerful signal to homes in a much wider geographic area. As a consequence, as of this sum-mer, CNNI was transmitting to an estimated 80m television households in more than 210 countries via a network of 12

To improve CNNI's news programming, CNN has built a new \$11m production centre in Atlanta to complement its existing European regional centre in London, and it will soon open a new Asian regional centre in Hong Kong. Each centre will produce a version of CNNI programming reared toward its region's

viewers. In South America, CNN has no English-language competition, but faces a threat from several Spanish-language networks run by Reuters, the Mexican television group Televisa, and the US network

CNNI competes indirectly with them through the four half-hour segments of Spanishlanguage news it broadcasts every day, but clearly could lose ground to the native-language news services because the number of fluent Englishspeakers in the region is so

In Europe, CNNI's largest market, the principal competition comes from Mr Rupert Murdoch's Sky News channel, Although Sky is very UK-oriented, Mr Peter Vesey, head of CNNI, admits: "On some stories with a particular European interest, they can be very competitive with us in serving their UK-based audience. Another competitor is Euro-

political mandate from the European Community and broadcasts news in five different languages - "it's a wonderful technical achievement," says Mr Vesey, "but it's not, from what I hear, a very watchable product." CNN could also face competition soon from the BBC, which has talked of moving into the Euro-

pean market on a subscription basis with a version of World Service TV. CNN also competes indirectly with the BBC in the Asia-Pacific region, as it does with Star TV satellite system, which is the largest in Asia and which may eventually be part of a global sattelite news service alongside Mr Murdoch's Fox Television in the US and Sky News in Europe.

competition: "As you can see, the field is kind of crowded." In future, however, CNNI may be competing more with native-language broadcasters, although here the network has tried to hedge its bets through its occasional Spanish-language broadcasts and a joint venture with German broadcasters in Germany called n-ty.

Mr Vesey says of CNNT's global

Mr Vesev savs: "We will see more regional competition, but I don't think it will be Englishlanguage competition. If I was to spend a ton of money or bringing you Asia every day, I would probably choose to do it in Chinese, or maybe Japanese That is one of the biggest dilemmas we have classically faced. English is the best language to be in - on a worldwide basis – but you're really limiting yourself in terms of a mass audience, and there's no way around that. The way to extend and expand beyond that is to go the n-tv route in Europe. If you're going to take it into the region and tell people about things that are most important to them, you've got to make the decision to do it in

their language. The CNNI chief, however, is confident that its head start of 15-years experience in global news production should allow it to stay ahead of the interna-

Patrick Harverson

Georgia's State Capitol, one of two US capitols whose dome is sheeted in gold - brought from the Northeast Georgia mountains

Facts about the area

_				
	Area	and	popu	lation

· · · · · · · · · · · · · · · · · · ·	
Area, Metropolitan Atlanta City of Atlanta Population, Metropolitan City of Atlanta	a, 5,147 sq. miles
City of Atlanta	131 sq. miles
Population, Metropolitan	Atlanta 2.9m.
City of Atlanta	394,017

About the city

 Atlanta is the state capital of Georgia. Convention and trade shows bring \$1bn annually to the city. ☐ \$1.5bn worth of Olympic preparations for 1996 are reported to be on schedule

and on budget. ☐ More than 16.5m tourists visit the area every year. Atlanta has more than 55,000 hotels rooms.

☐ Atlanta is the birthplace of Dr Martin Luther King Jr. The city proclaims itself the cradle of the civil rights movement. The Mayor of Atlanta, Mr Bill Campbell, was elected in November 1993. He took office in January this year. ☐ Newspapers include:

The Atlanta Constitution, (morning daily). The Atlanta Journal, (evening daily).

Useful contacts

Atlanta Chamber of Commerce, 235 International Boulevard, (404) 880-9000. Atlanta Convention and Visitors Bureau, 235 Peachtree Street, NE . (404) 521-6600. Georgia Council for International Visitors, 999 Peachtree St(404) 873-6170. Thomas Cook Foreign Exchange, 245 Peachtree Center Avenue, Marguis One Tower, Gallery Level.(404) 681-9700. Georgia Department of Industry, Trade and Tourism Multi-lingual visitor assistance 873 6170 Travelers' Aid ... History Center, details ... Lennox Square, welcome Underground Atlanta, welcome

■ Getting about

centre, see shopping details

Peachtree Centre, welcome

Atlanta's Hartsfield International Airport is the second busiest airport in the world; the airport claims to have the largest passenger terminal in the world, handling 50m passengers a year, with an average of 1,500 flights a day. By air, 80 per cent of the US population can be reached from Atlanta, Hartsfield airport, telephone (404) 530-6830, is 13 miles - and 20 minutes' ride - from central Atlanta by taxi, (except during rush hours). The flat rate taxl fee to downtown hotels is \$15 for one person, \$16 for two people and \$18 for three. The Atlanta Airport Shuttle (404) 768-7600, costs \$8 one way to downtown hotels and \$12 one way to suburban areas such as Lenox Square. The Marta (Metropolitan Atlanta Rapid

Transit Authority) rall system takes 12 minutes and costs \$1.25 one way to Subway and bus schedules 848 4711

□ Car hire services include: (800) 331-1212 **Budget** (404) 530-3000 Dollar (404) 766-0244 (404) 237-2660 Hertz

Taxi services: visitors can hail a cab quite easily in the central and Buckhead areas. The larger taxi companies include: Checker Cab .. .(404) 351-1111 (404) 681-2280 London Taxi Style Taxi (404) 455-8294 (404) 521-0200

(404) 530-2800

☐ Rail: Atlanta is served by Amtrak via Peachtree Street Station, 1688 Peachtree .. (800) 872-7245

Banking

Banks in Atlanta include: Bank South, 260 Peachtree St .. 681-9529. NationsBank, 600 Peachtree St, NE .. (404) 581-2121. Trust Company of Georgia, 25 Park Place, NE(404) 588-7711. Wachovia Bank, 2 Peachtree St(404)

Hotels

Larger hotels include: Omni at CNN Center, Marietta St and .. (404) 659-0000, Techwood Drive . fax (404) 659-1621. Ritz-Carlton, central area, 181 Peachtree .. (404) 659-0400, fax (404)

(404) 659-1400, fax (404) 589-7586. Hilton & Towers, 255 Courtland St, NE (404) 659-2000, fax (404) 222-2868. Hyatt Regency downtown, 265 Peachtree (404) 577-1234, fax (404)

588-4137 Ritz-Carlton Buckhead, 3434 Peachtree .. (404) 237-2700, fax (404) 239-0078

■ Eating out

A selection of international restaurants includes: Bones restaurant, specialising in prime rib

The Dining Room (American), 3434

and seafood, 3130 Piedmont Rd. ..(404) 237-2663. La Grotta, (Italian food), 2637 Peachtree (404) 231-1368. Road, NE ... The Country Place (continental). Colony Square, 1197 Peachtree St .. 881-0144.

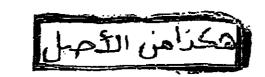
The regional climate varies from mild winters with temperatures ranging from zero to 15 degrees Centigrade, to hot and steamy summers with temperatures ranging from 17 to 31 degrees. Fortunately, spring and autumn are long Sources: Rivka Nachoma with additional

data by Barbara Harrison.

Managing institutional investments is something Trusco Capital Management does extremely well. It's one of the reasons we now manage more than \$10 billion in assets for a diverse group of clients worldwide. Our disciplined investment philosophy concentrates on tailoring individually managed portfolios to meet the specific needs and objectives of our clients.

For more information, contact Paul L. Robertson, III, First Vice President, at (404) 827-6868.





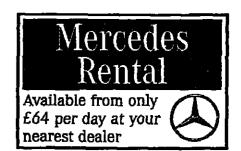
SCOTLAND 01738 625 031

FINANCIAL TIMES

COMPANIES & MARKETS

OTHE FINANCIAL TIMES LIMITED 1994

Tuesday November 1 1994



Hungarian

sale stirs

European

By Nicholas Denton in London

Three western European banks

banks

IN BRIEF

UBS to fall short of 1993 record

Union Bank of Switzerland has said its 1994 net income will be lower than the record SFr2.27bn (\$L8bn) it made last year. Page 22

Setbacks for Accor The past two months have brought a series of setbacks to Accor which the hotel group's founders and co-chairmen would probably prefer to forget.

Time Warner appoints deputy Time Warner, the world's largest entertainment group, has appointed a banker to its number two

spot. Page 24 American Barrick rises 5%

American Barrick, the Toronto-based gold producer. lifted third-quarter earnings 5 per cent, largely after higher output at the flagship Goldstrike mine in Nevada, and a contribution from recently-acquired Lac Minerals. Page 25

Scap war starts afresh Procter & Gamble continues the Great European Soap War with the launch of Ariel Futur, to attack Unilever's Persil and Omo Power detergents.

Japan paper companies lift earnings
Japan's leading paper companies continued to suffer from cuts in paper prices because of stagnant demand, but restructuring and cost cutting at the top two companies lifted earnings on the current

Broken Hill cuts Woodside ties Broken Hill Proprietary, Australia's largest company, has cut its ties to Woodside Petroleum, the energy group which is the main participant in the North West Shelf gas project. Page 26

Dr Edgar Cheng Wai-kin, who yesterday was elected chairman of the Hong Kong Stock Exchange, is more interested in strengthening the quality of Chinese companies listed in the territory than increasing their numbers. Page 26

All-change for Indian GDR lasues The Indian government's announcement at the weekend that it was changing the rules for companies issuing international equity may mean the market for global depositary receipts issued by Indian companies is about to enter a new phase.

Grandidet to tap US for \$500m Grand Metropolitan, the food and drinks group, is to raise \$500m in the US through an issue of perpetual fixed rate preferred securities, a financial instrument similar to preferred stock. Page 30

Biotechnology groups undergo check-ups The UK biotechnology industry looks wobbly. With losses mounting and products years away from the market, companies seeking cures for the sick are under pressure to prove their own health. At least for British Biotech, the first clinical trials of its new cancer treatment have showed that the drug has no significant side effects and triggers a potentially useful reaction in volunteers. Page 31

Companies in this issue

2 .

. : -----

2-



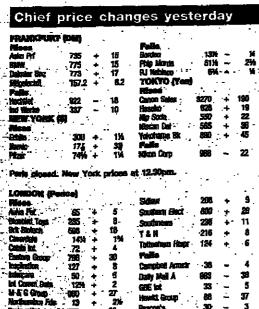
Market Statistics

leron internations

Honshu Paper

Anousi reports service	34-35	Foreign exchange	
Benchmark Govt bunds	28	Gitta prices	
Boad futures and entions	28	Liffe equity options	
Bond prices and yields	28 .	London share service	34-
Commodities prices	32	London track options	
Dividends amounced, UK	30	Managed funds service	36-
BMS currency rates	38	Money therkels	
Eurobood prices	28	New inti band issues	
Post interest indices	2/3	New York share service	49-
FT-A World Indices Bac	k Page	Recent issues, UK	
FT Gold Mines index	33	Short-term lat rases	
FT/ISMA hall bond suc	28	US interest rates	. '
FT-SE Actoraries indices	33	World Stock Markets	

Ziff Communications



Baby Bells in cable TV venture

The convergence of telecommunications and cable TV took a further step in the US yesterday with the formation of a joint venture between three regional Baby Bell telephone companies and a leading programming agency. Bell Atlantic, Nynex and Pacific Telesis said they were each investing \$100m over the next three years in a venture including Mr Michael Ovitz's Creative Artists Agency.

The partners, who claim to reach 30m homes in the US, said they would establish company, will begin by buying programmes to feed through the partners' cable network, then develop its own programmes. It will also produce video on demand, and finally interactive programmes such as home shopping and

The technology company will develop systems and standards for the new venture. It will receive existing technical assets from the three partners, such as Bell Atlantic's digital imaging laboratory in Reston, Virginia. Such assets will form part of the \$100m contribution from each Baby Bell partner.

ever, several states have recently relaxed these regulations. The partners denied yesterday that the venture faced any regula-

Bell Atlantic and Nynex cover the north eastern seaboard of the US, while Pacific Telesis is based in California. The media company will be based in Los Angeles and New York, while the technology company

cation service (PCS) licences along with two other regional companies. Mr Ovitz said "this is a tremendous new

opportunity for the creative community. As the partnering companies make the merger of technology, information and

The partners said commercial trials for video on demand would begin in early 1995. Eventually, they said, the venture

country's top four commercial banks, in a display of renewed

enthusiasm for acquisitions in the former communist bloc. Credit Suisse and ING Bank are understood to have emerged in the past few weeks as poten-tial contenders for a substantial stake in what would be one of eastern Europe's biggest bank

privatisations.

They join Crédit Agricole, the French co-operative bank, which has for several months shown interest, in taking a stake. It is the only main contender to have conducted a "due diligence" investigation of the Hungarian

A stake in Budapest Bank would provide Credit Suisse with a means of expansion to the east after the failure of its approach to Creditanstalt of Austria.

Hungary expects to name a preferred bidder or bidders on November 17, which gives Crédit Agricole a time advantage. To open up the race, the state bank and its advisers have granted the last-minute bidders another fort-

night to prepare proposals.

The successful industry investor is expected to pair up with the London-based European Bank for Reconstruction and Development. The most likely option is that together they would hold a majority. Creditanstalt, one of Austria's

leading banks, explored an offer for the bank but management divisions are understood to have inhibited an approach.

The sharpening rivalry for Budapest Bank marks a shift in western banks' strategies in eastern Europe. State banks in the region have

shown a strong propensity to make bad loans and the preferred means of establishing a presence has been to set up stand-alone branches.

But in two deals in the last 12 months ING Bank and Bayerische Landesbank took 25 per cent stakes in a Polish and a Hungarian bank respectively.

Budapest Bank has total assets of Ft156.6bn (\$1.47bn), and a Hungarian official hoped for a purchase price of up to \$100m. The Hungarian government has spent over more than \$3bn. or 9 per cent of GDP, bailing out technically insolvent state banks and the privatisation of Budapest Bank is the first fruit of the rescue programme.

By Tony Jackson in New York ing the cable market and vice versa. How-

two new companies, one handling pro-gramming and the other technology. The first, provisionally known as the media

Under US legislation, there are restric-tions on local telephone companies enter-

sumer.

will operate from San Francisco and Reston, Virginia. The partners denied that there was any intention to move towards a full merger. However, Bell Atlantic and Nynex already have close ties in mobile telephony, and 10 days ago formed a partnership to bid for new personal communi-

entertainment a reality, our challenge is to help stimulate the creation and marketing of programming that will engage the conare considering bids for Hunga-ry's Budapest Bank, one of the

would offer advanced interactive services such as on-line games for numerous players, personal news services and interactive

Kenneth Gooding looks at the market's rows with Chilean and Chinese customers

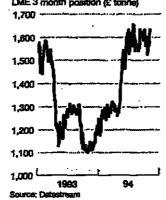
Global problems follow LME to its new home

wo items of unfinished business failed to spoil the celebrations yesterday as the London Metal Exchange started business in its new home. The LME prides itself on being a truly global exchange and, as if to emphasise this point, it finds itself in conflict with customers as far away as Chile and China. The difficulties go back to the turmoil in the LME's "flagship" copper contract last year. Prices slumped by one quarter in only five weeks, reaching in May their lowest level for five and a half years. Then came a severe supply "squeeze" when, in spite of lack-lustre world economic conditions and LME copper stocks reaching a 15-year peak, the copper price rose strongly. The LME board issued two public warnings about the squeeze and eventually took emergency action to unwind it. This was a market only for brave and truly professional trad-ers. It was a market of large profits and losses. Among the losers was Codelco (Corporation Nacional del Cobre de Chile), the state-owned Chilean group. Codeico says Mr Juan Pablo Davila, its chief futures trader, lost more than \$200m. Mr Davila and his two immediate superiors were charged with deception and Mr Alejandro Noemi, Codelco's president, resigned. Codelco and the Chilean government are seeking to lay further blame - particularly in the London metal trad-

ing community. Shanghai, a subsidiary of China International Trust and Investment Corporation, owes about extended it credit and is claiming it cannot meet these debts in full. The problems of both Codelco and Citic Shanghai can be traced punishment for those they claim

to an esoteric LME trading prac-tice known in the jargon as "carries at historical prices". In practice this means that, instead of paying up at the end of a con-tract, it is rolled forward again but at the original price rather than the price prevailing in the market. There are genuine reasons why some customers want to make use of this system but traders suggest it can also be used to disguise, temporarily,

LIME 3 month position (£ tonne)



loss-making positions. LME brokers prefer not to give these "carries" because they tie up credit lines and take some financing. So the service is provided only to substantial customers with deep pockets. Both Codelco and Citic Shanghai come into Another loss-maker. Citic this category because they are state-owned and traders assume that ultimately their governments stand behind them.

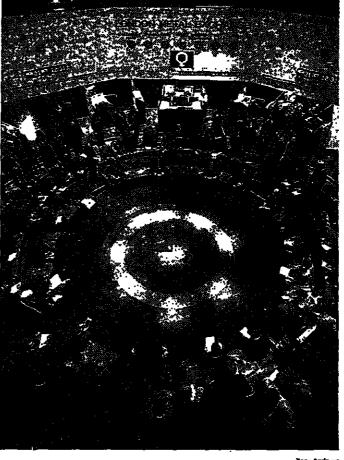
Codelco and the Chilean government have been excoriated by

luck so far. Mr Davila and his two superiors were released from prison in May when the Santiago Appeals Court drastically reduced the charges against them. No longer are they accused of defrauding the state (maximum sentence five years) but instead are charged with causing the company losses by deception

(maximum sentence 541 days). Meanwhile, Mr Juan Villarzu, Codelco's new president, says an investigation by accountants Ernst and Young showed "the existence of systematic deceit aimed at distorting the economic outcome of copper futures trans-actions, creating fictitious profits and postponing losses". But he stressed this did not necessarily mean that LME brokers had deliberately colluded with Mr Davila. The LME has agreed to investigate "unusual transactions" between Codelco and several brokers.

At the LME's annual dinner last month, Mr Villarzu made it clear that he feels there must have been some collusion between his company's trader and some counter-parties in London. "Had you the opportunity to examine the trading contracts which Codelco entered into during 1993, you would have been amazed at the number of transactions whose prices had no direct relationship with the market prices ruling at the date and time of the transaction," he com-

Mr Raj Bagri, LME chairman, promised that if any exchange member had transgressed, "we will not hesitate to take the appropriate action". However, he their domestic press and have echoed other traders' assertions been pressing for the maximum that poor management controls were mainly responsible for



Trading places: the London Metal Exchange's new home yesterday

Codelco's losses. Mr Bagri said the breakneck speed at which derivatives and futures trading had taken root and spread across the financial and commodity markets "has in many instances left managements far behind in tive and timely supervisory measures to monitor and control risks". Nevertheless, the LME hoped to implement by early next year measures "to limit any perceived dangers of historical price

Opinion is split among LME

members about whether inci- Commodities, Page 32

dents such as these involving Citic and Codelco are damaging to the exchange's image. Yesterday's move to another premises in London's financial district was in part prompted by a fourfold increase in turnover in the past having in place adequate, effec- six years. So the LME - trading primary aluminium, aluminium alloy, lead, nickel, tin and zinc as well as copper - is now the second-largest futures exchange in the UK and the seventh largest in the world. It will trade futures and options valued at nearly **\$2,000**bn this year.

Thomson to acquire Ziff information arm for \$465m

in San Francisco

and publishing group controlled by the Thomson family of Toronto, Canada, is to acquire a Ziff Communications subsidiary, Information Access Company, for \$465m. The deal is the second step in Ziff's plan to divest all its ts. Last week Ziff, a privately-held US publishing group, sold the biggest segment of its busi-ness. Ziff-Davis Publishing, to Forstmann Little, a New York investment group, for \$1.4hn.
IAC, based in Foster City, California, is a leading provider of ref-erence and database services to libraries and businesses. It offers business, legal, healthcare,

Thomson Corporation, the travel

in several electronic formats, including CD-ROM, on-line dataise access, and magnetic tape. More than 20,000 US public and academic libraries, as well as 10,000 corporate libraries sub-

The acquisition is seen as a

move by Thomson to expand its North American publishing activities, which are among the most profitable parts of its business. Thomson was one of the losing bidders for another database company, the Lexis/Nexis electronic-publishing arm of Mead of the US which was bought for \$1.5bn by Reed Elsevier, the Anglo-Dutch publishing group, earlier this month.

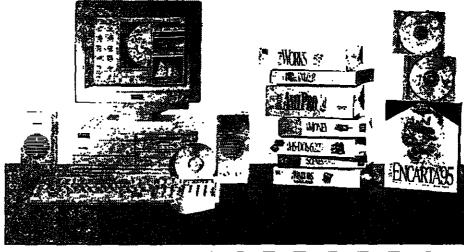
With 1993 sales of \$5.9bn, Thomson is a leading publisher of specialised professional and business reference materials. The

pers in North America and the UK including its flagship publication the Toronto Globe and Mail. Thomson's Information/Publishing Group accounted for

UK, Thomson has extensive leisure travel operations, including its holiday tour business. Mr W. Michael Brown, Thomson president, said IAC made an "excellent fit" with Thomson's

existing publishing operations.

The Ziff family put its businesses up for sale in June, hiring Lazard Frères, the investment banking group, to find buyers. It still has to sell its trade show business and the Interchange Network unit, established to support Ziff's plans for a computer on-line service geared to personal computer owners.



Mind-boggling Pentium PCI package. Brain-baffling price.

Only Elonex can bring you such an incredible offer. A supertast graphics multimedia PCI computer with 4W stereo speakers and everything you want for work, education and entertainment. All at a price that looks like a misorint.

to term Talamedal relea. Talamedal 34 900 Containe 64. Containe 64. The spirit part of th	CHAP Hard driv	MS-00'S 6-22 and Mindows for Mindows for Mindows for Mindows for Mindows for Mindows for Italian and Mindows for Italian and Mindows for M	Built in 20 ethanced Of controles	Office opposity and brance available, Please Call	To: Signex pic, 2 Applicy Way, London NW2 7U	
	CE Couple speed, numbers on Photo C1 computation CD et all days		I ECT parallet, 2 RS-232 16550A senal ports	London 0181-452 4444	the advises below 1 enclose a cincum for £1,295- £1,521,631. Price includes delinery within a wi white sports last	
	local sound card		2 POU3 ISA slam 102 km UK	Bradford 01274-307226	жате	
	75648 external custive provided as standard			Cumbernauld 01236-452052	400955	
	35 rich 44MB Boppy druk			Elones, pt., 2 Apriley Vito, Landon MMQ 7LF.	{ 	
(Note Pentam records	hay here had height dank hays			EIONEY	i	
The state of the s	Shift necessary			Commen	İ	
	(MAC TOR			that change	Postcode	

Heron rebels vow to fight on

By Christopher Price in London

humanities, computer and gen-eral interest information services

Dissident bondholders opposed to the sale of Heron International, Mr Gerald Ronson's private UK property company, have vowed to fight on against the purchase plans by HNV Acquisition, the US investment group.

Pollowing publication of the formal offer document, Mr Gary Klesch, managing director of Klesch & Co, which has been opposing the deal, said: "This is highly, highly, highly conditional. There's the litigations, the valuations and other things besides. Nothing we have seen has changed our minds over this

HNY, led by US investor Mr Steven Green, made its initial offer several weeks ago, during which time the group and its advisers have been negotiating £1,049,000, down from £1,537,000

with some of Heron's 82 creditor in 1993. Under last September's banks in order to gain acceptance. The US group is offering £142m (\$224m) in cash to the bank and bondholders who hold around £374m of debt. Swiss Bank Corporation,

HNV's bankers, has already secured the agreement of around half of Heron's creditor bankers, which are owed some £200m. Their debts are secured on properties in the UK and Spain. The document shows the UK properties as having assets valued in excess of £200m. However, the Spanish business has only net assets of £400,000. Under the terms of the agreement, HNV will put up to £17m of capital into the Spanish operations. The document also shows Mr

Ronson's salary package for the

year to March 30 1994 at

five-year £800,000 per annum salary package and the fall from the previous year reflects the lower renumeration. Mr Ronson will continue as chief executive under the HNV plan, a move which has caused some consternation, particularly among rebel bondholders. "I'm staggered by what they are continuing to pay that guy," said Mr Klesch. The offer document includes

refinancing, Mr Ronson agreed a

details of litigation in which Heron is involved, including an \$88m lawsuit relating to the purchase of Pima, a US financial services group, and a \$39m suit outstanding brought by another US group, Stratagem. There are 16 outstanding litigation cases against Heron, or its directors. Lex, Page 20; Background, Page

INTERNATIONAL COMPANIES AND FINANCE

UBS 'unlikely' to match last year's record

By Ian Rodger in Zurich

Union Bank of Switzerland, which is in the midst of a proxy battle with its largest shareholder over its business strategy, has said its 1994 net income will be lower than the record SFr2.27bn (\$1.8bn) it made last year.
"Last year's excellent result

is unlikely to be reached," UBS, Switzerland's largest bank, said in a statement on third-quarter trading. Earlier, it had left open the possibility of matching the 1993 result.

The bank blamed unfavoura-

ble market conditions for a decline in third-quarter profits. No figures were given, but it said both net interest income and trading income were down, although the trading result was "substantially higher" than in the previous

Fee and commission income were said to be "excellent", marking the only contrast with the third-quarter report of Credit Suisse which said last week its commissions business suffered a "slight downturn". UBS said commissions from its corporate finance business

were unsatisfactory. Expenses were down noticeably. As in the case of Credit Suisse, bad loan provisions were reduced but remained at

UBS has called an extraordinary general meeting of shareholders for November 22 to vote on its proposal to convert all registered shares into bearer shares. The par value on the registered is one-fifth that on the bearers, giving an investment in them much more voting power than the same stake in bearers.

The proposal is opposed by BK Vision, an investment fund which has a large holding in the registered shares and is seeking to rally a majority of votes to make substantial board changes at the next annual meeting in April.

• Operating profit at Maculan, the Austrian construction group with large operations in eastern Germany, plunged in the first half by 42 per cent to Sch81.7m (\$7.69m). It also forecast lower net income in the full year.

Turnover was up 14 per cent to Sch6.9bn, due to a 19 per cent increase in Germany, which accounted for just over half of group revenue. The group said the decline in

operating profit was partly due to delays in Russian housing projects for returning soldiers. The extra costs in the Russian projects will be borne by the customer but this will be reflected only in next year's

earnings after they are com-

BNP in plan to shed **Banque Nagelmackers**

By Andrew Jack in Paris

Banque Nationale de Paris, one of France's leading banks and privatised last year, is selling Banque Nagelmackers 1747. Belgium's oldest bank. The bank, in which BNP

became the majority shareholder four years ago, is to be sold to P and V Assurances of Beigium. The sale will also apply to a related concern, elmackers & Company. BNP stressed that the sale conditions would guarantee

the bank's development and

that Nagelmackers would continue to market BNP products. BNP bought the majority of the shares in Banque Nagel-mackers in 1990, with the

remaining stake held by the Nagelmackers family. This August it acquired nearly all the remaining shares when Financière Lecocq, a coshareholder with which it made the original takeover, exercised its option to sell.

BNP earlier this year denied suggestions it was planning to sell Banque Nagelmackers.

Accor pulls the shutters down

John Ridding and Michael Skapinker examine the group's position

and Mr Paul Dubrule Lhave seen many more ups than downs in the 27 years in which they have built Accor of France into one of the world's largest hotel and travel

The past two months, however, have brought a series of setbacks which the group's founders and co-chairmen would probably prefer to for-

In September, Accor was defeated by Forte of the UK in a fiercely contested battle to win control of Meridien Hotels, which had been put up for sale by Air France. A few weeks later, Mr Pélisson and Mr Dubrule became entangled in a wrangle with Suez, the financial and industrial group which is Accor's largest shareholder.

Last week, the group announced its first-ever loss, saying it had incurred a net half-year deficit of FFr264m (\$51m), compared with a net profit of FFr109m for the same period in 1993.

The financial performance and signs of shareholder disaffection raised important question about the group's prospects and strategy. They even prompted some to consider whether France's flagship leisure company be taken over. Could a successful predator break up the group, finding of predators is that both the

r Gérard Pélisson buyers for some of its assets, which range from the Novotel hotel chain to the Europear car rental business to luncheon expected.

> Analysts were particularly intrigued by the apparent hreach between Accor and normally loval French institutional shareholders.

vouchers?

Last month, after protracted discussions, Accor said it had broken off negotiations aimed at increasing Suez's 12.4 per cent stake, held through its subsidiary Société Générale de Belgique. Accor cited "unreasonable" demands by Suez. which it claimed was seeking a significant management role and the right to select a successor when the co-chairmen stand down. Messrs Dubrule and Pélisson

have little time for speculation

about instability on the shareholder register. "We have no fear of a takeover. SGB has said it would keep its holding and "we have faithful long term investors", said Mr Pelisson, citing Société Générale. the French bank, and Union des Assurances de Paris, the insurer. The Caisse des Depòts et Consignations, the French state financial institution, has also distanced itself from speculation that it might sell its 6.14 per cent stake in Accor. An additional reason for cau-

tion concerning the emergence

think Accor's situation is better than might have been

Accor itself is sanguine in the face of last week's loss and is upbeat about prospects for the rest of the year. The company points to improved operating results, arguing that 15 of its 18 principal profit centres were ahead at the nine-month stage compared with the same period in 1993. They explain that much of the reason for the loss at the net level in the first six months was the absence of exceptional gains from disposals. First-half profits of FFr109m in 1993 were achieved only after capital gains of more than FFr400m during the

This perspective is shared by many industry observers. "I was not surprised by the loss," says an analyst at one French merchant bank. He, like many industry observers, was also encouraged by the chairmen's optimism following the announcement of the results. Mr Pélisson said: "The bad news is the loss. The good news is that over the past several months we have seen a substantial improvement in the hotels business.

Nevertheless, there is still concern about the group's prospects and strategy. Most

group and industry analysts immediately, the company continues to struggle under a debt burden of about FFr22bn, about one and a half times shareholders' equity.

The rise of the debt reflects the aggressive expansive strategy pursued by the company, notably the acquisition of the Motel 6 chain in the US in 1990 and of Wagons-Lits, the Belgian travel group in 1991.

"The debt situation is a concern," says one Paris-based analyst. But he believes that the company is now taking active steps to improve its financial position.

This sentiment is shared by investors who have pushed Accor's share price up by 20 per cent since the announcement of the first-half results, recovering from the sharp losses prior to the news. The COB, the French stock-market watchdog, is investigating the falls over the previous two

The strong rally reflects a belief that the company will now focus on core businesses and reduce its debts.

Accor has identified FFr5bn of potential assets it could sell, from which FFr2.5bn worth of receipts are expected by the end of 1995. The group is looking for an investor in its Sofitel luxury hotel chain after its failure to win control of tinue running the chain, but



Gérard Péllison (left) and Paul Dubrule: No fear of takeover

would like an investor to take a majority stake in the assets. Mr Paul Slattery, an analyst at Kleinwort Benson, says: "That's going to be a tall order. Sofitel is a very tired brand that has suffered from under-

One solution may be Prince Al Waleed of Saudi Arabia. The prince gave financial backing to Accor's bid for Meridien. Last month he took a 25 per cent stake in Four Seasons Hotels, the Toronto-based luxury hotels chain.

Neither chairman would be drawn on the prince's possible interest. But one industry analyst said: "He is a definite possibility. He has capital and he

" sales trastic

Vestey buys back most of Union Int'l | Axa to invest \$10m in Turkish

By Paul Taylor in London

The Vestey family is to buy back a large part of Union International, the food processing and distribution group, as part of a restructuring of the private Vestey food, shipping and property business empire.

Under the terms of a proposed deal, the Vestey Trust will acquire Union International's food trading and dis-tribution businesses in Australia and Asia and its farming and property interests in Venezuela. The deal, worth a maximum of

£100m including up to £24m of deferred payments for the Venezuelan property, paves the way for the liqui-dation of Union International, a Vestey subsidiary which has been operating under a standstill agreement with its banks pending debt restructuring. Union International is asking its

banks to extend the standstill agreement by six months to mid-1995 by which time the company is expected to have eliminated its remaining debt and pushed ahead with the sale of its remaining assets which include the Dewhurst, Matthew's and Baxter's butcher shop chains, its British Beef businesses, its North American trading arm and some property interests.

The operations being acquired by the Vestey Trust represent the core of Union's food business with a combined profit before tax and interest of £11.7m (\$18.5m) last year. In the first six months of this year their profit contribution rose to £8.5m from £5.8m

The Australian and Asian food operations are considered to have strong potential and, together with the Frederick Leyland shipping business, will form the basis of a slimmed-down Vestev empire.

The deal is subject to approval at a meeting of shareholders and preference shareholders on November 18. The Vesteys own all of Union International's ordinary shares through their holding company, Western United Investment, and about a third of Union International's outstanding preference shares so the outcome of

the meeting is not in doubt.

The buy-back is a blow to Mr Terry Robinson, Union International's chief executive, who had been seeking a management buyout. Under him, Union's debts have been cut from a peak of £420m to £124.6m at the end of ast year. Mr Robinson confirmed yesterday that the proposed deal with the Vestey Trust, coupled with the planned sale of the group's Australian property interests, should eliminate the group's borrowings.

investment fund venture

By Andrew Jack in Paris

Axa, one of France's largest insurance groups, is planning to start operations in Turkey next year as part of its policy of international expansion.

The group, which bucked the trend in the French insurance sector by recently reporting half-year net group profits up 26 per cent to FFr1.5bn (\$290m), plans to invest \$10m in a joint venture with Oyak, the Turkish investment fund to begin in April next year.

The investment is one of several designed to broaden the group's international basis, said Mr Claude Tondil. director in charge of international

The company is also set to launch a direct marketing company to sell insurance in Germany. "Germany is a

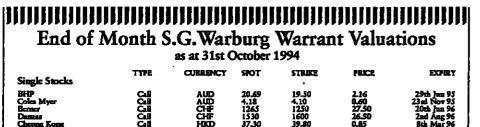
more difficult market to penetrate than Japan," said Mr Tondil, referring to the group's recently-boosted operations in Asia Pacific.

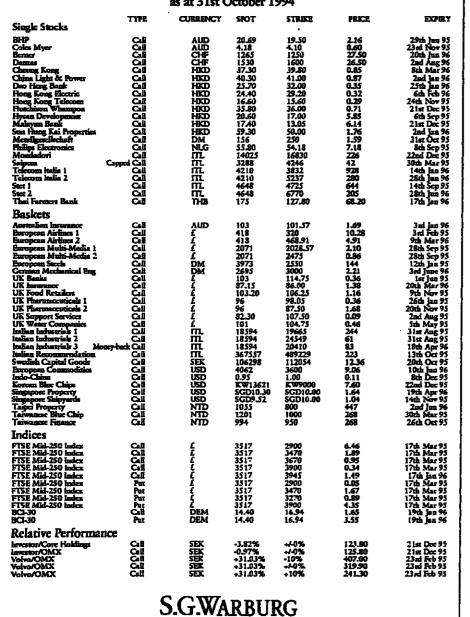
While other French insurance com-panies are holding back from addi-tional international investment, Mr Tondil said Axa was looking for new acquisitions in Europe, Asia and North America.

He said about 60 per cent of Axa's oremium income was generated in

Mr Tondil said he was also looking in the UK for additional property and casualty interests, but British insurers were too over-valued.

In North America, he said Axa was interested in expanding only cautiously, avoiding the natural-disaster prone regions, such as Florida and





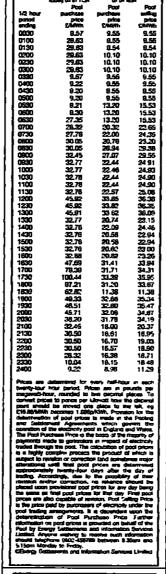
S.G.WARBURG GLOBAL **EQUITY DERIVATIVES**

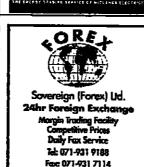
HE CHAS BOOK MAKE CITY INDEX. Accounts are normally opened within 72 hours. up-to-date prices Sa.m. to 9p m. on Teletest page 603

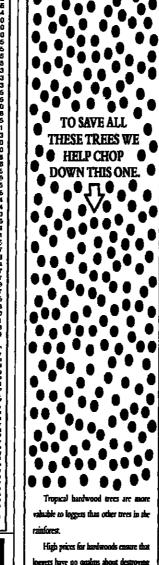
The Property Finance Sourcebook 1994 Avoid expensive fees - go straight to the source. With this book you are the expert. The ultimate Property Finance Directory, indispensable for any rested in UK property. Call 071 495 1720.

THE HSBC CHINA **FUND LIMITED**

Unaudited NAV per share as at 28th October, 1994 US\$1.79







021 423 3018

Powerline

WWF World Wide Fund For Nature

eg ways of felling a tree without

This announcement appears as a matter of record only.

THE BANK OF NEW YORK

is pleased to announce he establishment of a

SPONSORED AMERICAN DEPOSITARY RECEIPT (ADR) FACILITY

LAGARDERE GROUPE



For further information regarding The Bank of New York's ADR Services, please contact Kenneth A. Lopian in New York (212) 815-2084, or Michael McAuliffe in London (071) 322-6336.

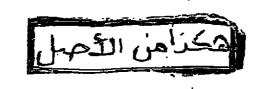
> The Financial Times **plans to publish a Survey on**

on Tuesday, November 29

Published in Tokyo, New York, Frankfurt, Roubaix and London, it will be read by en and government officials in 160 countries worldwide. It will also be of particular interest to the 139,000 senior businessmen in the UK who read the weekday FT*. If you wish to reach this important audience with your ervices, expertise or products whilst maintaining a high profile in connection

0117 9292565 or Fax 0117 9225974

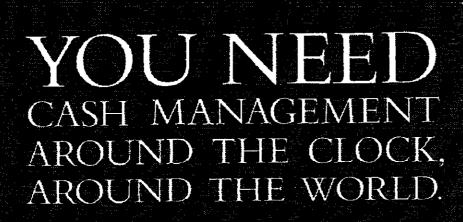
FT Surveys



in Turkid

YORK

ATTARY





YOU WANT
UP-TO-THE-MINUTE
INFORMATION,
DOWN TO THE LAST DETAIL.

YOU NEED LOCAL MARKET ACCESS, AND GLOBAL INTEGRATION.





YOU WANT A BANK THAT DOES MORE THAN MEET YOUR EXPECTATIONS. YOU WANT A BANK THAT EXCEEDS THEM.

Citibank combines technological innovation and professional expertise to create solutions based on your company's unique; cash management needs. In 94 countries; no other bank can maximize your money's productivity like Citibank can.

CITIBAN(

sank, N.A. Citibank is a member of

INTERNATIONAL COMPANIES AND FINANCE

Alarm bells ring over Telebrás tariffs

Brazil has returned to interventionism, reports Patrick McCurry

to cut telephone rates for local, long distance and international calls set alarm

Not only was there investor concern about the effect on the profits of Telebrás, Brazil's most traded stock, but more importantly the government seemed to be returning to its interventionist ways. The government, however, insists it is committed to tariff reform.

The rate cuts were sourred by competition from the so-called US call-back companies, which charge much cheaper rates for international calls by channelling them through the US, and by politi-

Mr Jonathan Morris, an analyst at Latinvest Securities in London, says that, after announcing a more pragmatic tariff policy at the end of 1992, "this looks like the government is returning to the bad old days of political intervention in tariffs".

Analysts maintained that the move has failed to reform an artificial structure in which cheap local calls and standing charges are subsidised by an expensive long distance and

As for Telebrás, the government-controlled phone company, the effect on its revenues is hard to gauge.

Estimates range from neutral to a fall in revenues of up of nearly \$100m next year.

to \$200m next year. The uncer- Increased discounts for to \$200m next year. The uncer-

he Brazilian govern- tainty led Telebrás's share ment's recent decision price to fall sharply after the announcement.

The reductions, which come into effect today, involve a 5 per cent cut in local rates, a 17 to 20 per cent reduction in international tariffs and higher discounts for off-peak national long distance calls.

The cut in local rates, which are among the lowest in the world, is regarded by the market as a populist measure by President Itamar Franco and an attempt to try to keep down prices as part of a government anti-inflation plan.

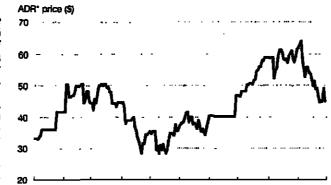
The price cuts for international calls, which make up 10 to 12 per cent of Telebras's revenues, are a reaction to the "call-back" companies.

Telebrás says the reductions, which follow price cuts of 41 per cent since August last year, make Brazil's international rates comparable with those of overseas phone companies. However, call-back companies say their prices are still significantly cheaper than those of Telebrás.

For example, the call-back companies charge \$1 to \$1.50 per minute to most European countries while, after the reductions, Telebrás will

Mr Marcelo Vainstein, an analyst at Baring Securities in Sao Paulo, estimates the cuts in local and international rates will lead to a fall in revenues

Telebrás



national long-distance calls. tively expensive and long distance traffic is largely made up which make up half the company's revenues, could mean another \$100m in lost reveof business users, whose tariffs have not been reduced. For Telebrás's future finannues. But he says it is difficult to predict the effect on the cial health an overhaul of the national long-distance market tariff structure is essential. The government has only

because of a lack of informapartly implemented a restructtion on the proportion of calls made during off-peak hours. uring announced in December In total, the price reductions could mean a fall of perhaps 1992 under which the cross subsidy of local service by long distance and international \$80m in Telebrás's expected after-tax profits of around rates was due to be phased out. In addition, the government \$600m next year on revenues of has not implemented the decision to increase charges for

> monthly standing charge is 44 cents, compared with \$4 in Mexico and \$5.50 in Chile. The effect of this tariff structure is that Telebrás's revenues per line are less than \$500, compared with about \$800

censete 000,1= RGA ano"

for Telefonica de Argentina and \$1,000 for Telmex.

NEWS DIGEST

Nampak

15

Share price (Rand)

1994

Oct

machines. Operating profit rose by only 6 per

cent to R549.7m from R517.9m on the back of a

modest 5 per cent increase in turnover to

R4.79bn from R4.5bn. However, a 68 per cent

reduction in interest paid to R10.3m from

R32.1m. combined with an almost unchanged

tax bill at R201.4m compared to R197.9m previ

ously, helped improve the bottom

The group's balance sheet remains healthy.

with borrowings at R151.4m, down from

R228.8m, representing a gearing ratio of 9 per

Mr Brian Connellan, chairman, attributed

the results to improved productivity, and "the

first, albeit hesitant, signs of economic recov-

However, although he said that the group's

gross margins had improved slightly to 11.5

per cent of sales from 11.4 per cent previously, Mr Connellan observed that there has not yet

been any significant increase in real private

consumption expenditure.

Of the group's divisions, Bevcan and the glass and plastics division improved profits, as

did Divpac, Flexible and Polyfoil and most

operations in the paper and printing sector. However, both Liquid Packaging and Foodcan

Nov 93

Lower financing

Nampak in year

A lower effective tax

rate and a reduction in

financing costs allowed

Nampak, the South

African paper and

packaging group, to

increase its attribut-

able profit for the year

ended in September by

14 per cent to R350.9m

(\$100.2m) from

Suzman in Johannes-

R10.5m in abnormal

disposal of the Klipri-

vier brown paper

costs help lift

The lack of revenues puts pressure on Telebras's capital investment, which stand at about \$3bn a year, half what is needed to cope with demand for lines, given that waiting

times are up to two years. But Mr Renato Guerreiro, head of the government's phone tariffs department, says the government was still committed to the tariff reform, which was suspended in July when Brazil's new Real currency was launched.

He maintained the the government was "waiting for the right moment politically". But Mr Guerreiro said regardless of when the reform takes place, international calls would fall further because Telebrás's rates were still higher than call-back companies.

n the longer term, most analysts expect tariff reform to be carried out following the election this month of Mr Fernando Henrique Cardoso, who has said he favours liberalisation of the government's telecom monop-

The recent tariff cuts, how-

ever, will not please investors basic services: Telebras's Latinvest. "It appears that while investors have been expecting a more pragmatic approach to telecommunications in Brazil the government is busy paddling in the opposite direction.

reported reductions in profits. Trinidad telecoms group 18% ahead for year

The Telecommunications Company of Trinidad and Tobago, in which Cable and Wireless of the UK has a a 49 per cent interest, recorded a net profit of TT\$252m (US\$45m) for the year ended March 31, writes Canute James in Kingston. This was 18.1 per cent higher than the previous year's figure.

The company, which has a monopoly on telecommunications services in the Caribbean country, said that, as in the previous year, there was no tax liability as a result of accumulated tax losses being brought forward. The profits were affected by the 25 per cent depreciation of the Trinidad dollar when it

was floated in April 1993. "The increase in net profit was influenced to a large extent by the effects of the flotation on net incoming international revenues," the company said.

Harbin Power plans to increase capacity 78%

Harbin Power Equipment, one of the 22 companies in the second batch selected by the Chinese government to seek overseas listing, plans to increase its annual production capacity by 78 per cent to 6.400Mw by 1998, AP-DJ reports from Hong Kong.

The manufacturer and exporter of power plant equipment said it wanted to take advantage of the planned major expansion in the country's power generation capacity.

R307.9m. writes Mark Currently, the company and its subsidiaries have an annual production capacity of burg. The results do 3,600Mw. It plans to expand its annual producnot include a further tion capacity for thermal power plant equip-ment to 4,800Mw by 1998 from 3,000Mw. profit arising from the

Production capacity for hydro power plant equipment is also scheduled to increase to 1,000Mw annually in 1995 and then to 1,600 to 1,800Mw by 1997 from 600Mw.

Malaysia to get first tyre cord factory

Andayani Megah, an Indonesian tyre cord manufacturer which is part of the Gajah Tunggal Group, and a unit of Malaysia's Hicom Holdings Berhad are setting up a joint venture to build Malaysia's first tyre cord manufactur-ing plant, writes Manuela Saragosa in Jak-

The US\$60m tyre cord plant, which will also manufacture nylon, rayon and polyester tyre cord, is expected to be completed by 1997. The joint-venture company operating the

plant will have a starting capital of \$75m and will be 45 per cent owned by Andayani Megah and 55 per cent owned by the Malaysian party. According to the agreement, the joint-ven-ture company will start marketing Andayani's tyre cord products in Malaysia prior to completion of the plant.

Hicom Holdings Berhad is a listed Malaysian investment holding company partially owned by the Malaysian government.

Seven Network to put A\$225m into Optus

Seven Network, one of Australia's commercial TV station operators in which both Telstra and Mr Rupert Murdoch's News Corporation hold minority stakes, said that it expects to contribute about A\$225m (US\$167m) to the Optus Vision joint venture, which was formed last month to develop a broadband cable network in Australia, writes Nikki Tait in Syd-

Optus Vision has suggested that it expects to spend more than A\$3bn on the project over the

Seven, which is taking a 15 per cent interest in the project, said the first injection of capital was likely to be in first quarter next year.

Time Warner appoints president group American Television & the running of all corporate

By Patrick Harverson in New York

Time Warner, the world's largest entertainment group, yesterday appointed Mr Richard Parsons, 45, the chairman of New York savings bank Dime Bancors, as its new president. He tikes over from Mr Gerald Levin, who remains chairman and chief executive. Although the appointment of a banker to the number two Stot appeared to be an unusual nove. Mr Parsons has been a member of the group's board of directors since 1990 and has also worked on the boards of

TriStar Pictures and the cable

He is also a respected figure in local and national politics, having previously worked with New York Mayor Mr Rudolph Giuliani, and in Washington in the administrations of former vice-president Nelson Rockefeller and former president Gerald Ford. His ties to the political, banking and Wall Street communities are believed to have played a key

Warner, Mr Parsons will be responsible for many of the day-to-day administrative functions of the group, including

Communications.

financial activities (with the help of new finance chief. Time Warner senior vice-president Mr Richard Bressler), legal affairs, staff management and corporate communications.

part in his appointment. As president at Time

In a separate development. yesterday to announce the appointment of Mr Danny Goldberg as the new chairman of its Warner Brothers Records unit, the world's largest record

some Sobn, he says,

his loss could be partly

offset by increased vol-

ume but analysts' most

optimistic view is that the

price reductions will have a

neutral impact on revenues.

They say Telebrás's interna-

tional calls are still compara-

Mr Goldberg, currently head of Time Warner's Atlantic Records label, is expected to be asked to take over the helm at

Avenor moves steadily back to profitability

Avenor, the big Canadian forest products group, is mov-ing steadily back towards profitability with higher prices and surging demand for pulp, newsprint and white papers and a lower Canadian dollar.

Third-quarter operating profit was C\$33.5m (US\$24.8m), against an operating loss of C\$42.3m a year earlier, a turnround of C\$76m. However, after interest and special items, there was a loss of C\$16.6m, or 25 cents a share.

against a loss of C\$12.3m, or 20 cents, on sales of C\$488m. up 10 per cent.

The nine-month final loss was C\$61.3m, or 93 cents a share, against a loss of C\$125m. or C\$2.16. on sales of C\$1.38bn, up 21 per cent. Avenor said newsprint price

increases went through in the third quarter and its machines are running flat out. Manufacturing cost is down nearly 9 per cent. US consumption will rise further in the fourth quarter and another price increase has been announced for

A 100% increase in net profits. And we're only half - done.

SL.	PARTICULARS	SIX MONTH	YEAR ENDED		
NO.		30,9,94	30,9,93	31.3.94	
I.	Net Sales	3637	3066	6352	
2.	Other Income	28	19	54	
3.	Total Expenditure	3285	2833	.5868	
↓ .	Interest (net)	136	138	263	
5.	Gross Profit after interest but before depreciation and taxation	242	114	276	
6.	Depreciation	. 4	43	i tit	
7.	Provision for taxation	65	•		
8.	Net Profit	145	71	210	
۹.	Paid-up equity share capital	189	[6]	[6]	
10.	Reserves excluding revaluation reserves tas per balance sheet of previous year)			50e	

- The figures for the six months ended 30 (0.93) are inclusive of the figures relating to the erstwhile hida Hard Metals Limited which was anialgamated with the Company w.e.t. 1st April, 1993 vide order dated 25th April, 1994 of the Board for Industrial and Financial
- Increase in share capital has resulted from the conversion of Part B of the 15% secured partly convertible debentures on 22nd May, 1994 5 Reference to "Rs" is to "Indian Rupees."
- For Shrinan Infostrial Enterprises Limited

Dated : 27,10,94

f∂∕larket-Eye

Siddharth Shriram Chairman & Managing Director

- Net profits up by over 100%.
- Annualised EPS up from Rs. 9.53 to Rs. 15.65
- · Increasing shift to high operating margin businesses - sugar, airconditioning & refrigeration and chlor-alkali
- Rights issue of NCDs (with warrants) for Rs. 943 million oversubscribed
- Euroissue of GDRs (with warrants) for US\$ 40 million placed

FREEPHONE 0800 321 321

- Sugar
 - Capacity expansion of 5000 TCD to be
 - completed in two phases in 1995 - Takeover of The Camppore Sugar Mills accepted by BIFR. Current capacity of 5400
- Other growth plans on the anvil Airconditioning & Refrigeration

TCD to be doubled in due course

- Significant capacity expansion for compressors by 1995
- Chłor-alkali
 - New plant being set up in Punjab



SHRIRAM INDUSTRIAL ENTERPRISES LIMITED Regd. Office: Surva Kiran Building, 19, Kasturba Gandhi Marg, New Delhi 110 001. A RICH HERITAGE. A PROGRESSIVE FUTURE.

RT DATA FROM \$10 A DAY O Signal SOFTWARE GUIDE | O The Financial Times plans to publish a Survey on

November 9.

With over ten years of inauguration of its third successive democratic government, Bolivia is an ncreasing strength in Latin merica. The survey will report on scene, financial markets, Non policy and more.

For more information on in this survey, please contact:

Penny Scott in New York: Tel: (212) 688 6900 Fax: (212) 688 8229 Samentha Borg in London Tel: (+44 71) 973 4816 FT Surveys

unce CRB into Lich beite som bestoden nitmediatels at your fingerings. By iding every though som need in one cass-i

analysis backlesin

modelety, pre-cutations and loss more . IS NEAPS OF HISTORICAL PRICES FOR

CASH, FUTURES, OPTIONS AND

INDEX MARKETS

9) LEARS OF FLAD MENT VLINFORMATION (IN OVER KINCOMMODITIES

Similar to the estimation found in the CRB Community Year Book, the bible of the fototes industry in addition to toroid data. CRB into Tech also pussibles dail

price updates via KR-Quate, Kuight-Bidder' with an operatically designed to

KR Have To Floor Street, London EC4Y, 1879

Tel. +44 pm (1 842 466)

directly and your databas INFORMATION Busiler's

This advertisement is issued in compliance with the requirements of the International Stock Exchange of the United Kingdom and the Republic of Ireland Limited (the "London Stock Exchange"). It does not constitute an offer or invitation to the public to subscribe for or purchase any shares. Application has been made to the London Stock Exchange for all the Ordinian Shares of 25p each and Warrants of Abrust Latin American Investment Trust PLC issued and to be issued pursuant to the placing to be admitted to the Official List. It is expected that listing will become effective and separate dealings in the Ordinary Shares and Warrants will commence on 4th November 1994. ABTRUST LATIN AMERICAN

INVESTMENT TRUST PLC

Placing by de Zoete & Bevan Limited

20,000,000 Ordinary Shares of 25p each (with Warrants attached on a 1 for 5 basis) at an issue price of 100p per share payable in full on application

Number 24.0000,000 ANALISM (SIN) Ordinary States of Jap each

Issued and to be issued fully paid Nominal Value Number £5,000(),000 20,000,000

London EC 4R 4T%

Abunist Latin American Investment Trust PLA, will seek to achieve long term capital growth by investing in Latin America. Details of the Placing are given in the document dated [15] October 1991 which has been approved by the London Stock Exchange as listing particulars relating to Marriet Latin American Investment Trust PLC title "Listing Particulars". Copies of the Listing Particular was be obtained during cotal business hours up to and including 3rd November 1994 (for collection only) from the Company Automotectments Office London Stock Exchange Cover, appl. Cover, off Bartholomew Lanc, London 1 C.2N 1149 and during usual business hours up to and including 1 the November 1994 from: Mitrust Farm American Investment Trust PLC

FINANCIAL REGULATION REPORT is a

monthly service from the Financial Times. It provides

subscribers with up-to-date and thorough information

on worldwide regulatory developments and their

implications for the financial services industry.

To receive a FREE sample copy contact:

Sum Bansal, Financial Times Newsleners, Marketing Department, Fluid Floor, Number One Southwark Hidge, London SE1 9HL, England Tel. (+44 71) 873-3705. Fav. (+44 71) 873-3035.

The anomation compared will be related us of final to dead by order when the transfer of the final terms of the final terms.

FINANCIAL TIMES FINANCIAL REGULATION REPORT

Notice is hereby given that the notes will bear interest at 1995. Interest payable on 30 lanuary 1995 will amount to Agent: Morgan Guaranty

A PRIME SITE FOR YOUR COMMERCIAL PROPERTY ADVERTISING Advertise your property to approximately

1 million FT readers in 160 countries. For details: Call Emma Mullaly on +44 71 873 3574 or Fax: +44 71 873 3098

WOOLWICH - Building Society -

\$200,000,000 Floating rate notes due 1998

October 1994 to 30 Januar \$1.570 9C per \$100,000 nate

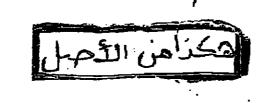
JPMorgan

Kleinwort Benson Private Bank announces that with effect from 1st November 1994 the Mortgage Management Account interest rate will be 7.75% per annum. The mortgage base rate 15 now 7.99% per annum.

Kleinwort Benson

Kleinwart Bensen Preside Bank is a Division of Kleinwart Bensen Investment Management Limited

REUTERS 1000 24 hours a day - only \$100 a month! Per UK 071 910 8082 TYPETCOM



market spii largent writes it a contra

E. .

 $I \subseteq \mathcal{I}_{r-1}$

To the second

* 2.5. L

Day ...

877 E

建物工作

75 -

prick adv sas Gold uput impr

MT's Brazilia

ds in third to

INTERNATIONAL COMPANIES AND FINANCE

5% as Goldstrike By Richard Waters in New York output improves

By Bernard Simon

SENTERN ISE

To the state of th

ork to put

40年 1986年 Tatlook

o Optus

American Barrick, the Toronto-based gold producer, raised third-quarter earnings by 5 per cent, due largely to higher output at the flagship Goldstrike property in Nevada, and a contribution from recenthy-acquired Lac Minerals.

Barrick's per-share earnings were diluted however, by the issue of 66m common shares as part of the Lac purchase price. The Lac deal closed on Septem-

Net earnings climbed to US\$61.3m, or 20 cents a share, from \$58.3m, or 21 cents, a year earlier. Revenues advanced to

Earnings growth has been dampened by rising explora-tion expenses, as Barrick spreads its wings in Latin America and Asia. Exploration spending is forecast to rise to \$30m next year,

more than double 1994 levels. Lac's properties in North America and Chile contributed about 30,000 ozs to third-quar-ter production, which totalled 560,500 ozs, up from 413,800 ozs a year earlier. Output from Goldstrike's Betze-Post pit rose to 466,500 ozs from 368,000 ozs. Barrick, which is now the largest gold producer outside South Africa, forecast 1994 out-

more than 2.2m ozs. Cash costs averaged \$153 per oz in the third quarter, down from \$202. Overall operating costs dropped to \$168 per oz from \$170.

put from its eight mines at

Mr Bob Smith, president, told analysts yesterday that he will be disappointed if all the company's advanced explora-tion targets on the El Indio belt in central Chile are not converted into proven and probable reserves. Barrick had previously set a target of about 50 per cent.

BAT's Brazilian unit falls in third term

By Patrick McCurry in São Paulo

Companhia Souza Cruz, the Brazilian subsidiary of British American Tobacco (BAT), announced a fall in third-quarter accumulated profits after tax to R\$52.14m (\$61m), from R\$139.12m for the same period

Much of the profit was thanks to a sister company, Aracruz Celulose, which con-tributed R\$32.85m. This was a result of the effect of the overvalued Real currency on Aracruz's dollar debt and a recov-

ery in world pulp prices. Souza Cruz's profit from cigarettes and tobacco was R\$15.24m, basically due to exports, compared with R\$137.45m last year.

The company, which has an 80 per cent share of the local cigarette market, blamed the fall in profits on a 10.9 per cent reduction in the cigarette mar-ket, "significant" levels of con-traband cigarettes and a reduc-

tion in tax payment periods. However, analysts say the company's performance has launch of Brazil's Real currency in July, which increased consumer purchasing power.

Optimism that the Real will lead to increased cigarette sales has pushed up Souza Cruz's share price 28 per cent since August 20; during the same period Sao Paulo's main stock index fell 4 per cent. During the nine-month period net sales were R\$740.8m

P&G, Unilever soap wars leave market spinning

Consumers have yet to pick a winner as P&G launches a new detergent, writes Roderick Oram

laundry laboratory in Brussels, there seems no doubt: Ariel Futur, P&G's ripost in the Great European Soap War, and launched today in the UK, is superior to Unilever's Persil and Omo Power detergents, famous for their textile-damaging side-effects.

nasty, staining substances, Ariel Futur, cleans best, claim P&G staff. But the reality of the £6bn (\$9.5bn) marketplace, they acknowledge, is more complicated than life in the laboratory. Consumers, bombarded by claims and counterclaims by the two companies,

no-holds barred marketing, P&G is launching Ariel Futur (as spelt on Continental packaging, it is called Future for the British). Futur "represents a considerable technological

lever "stuck a rocket motor on a Ford Cortina. The detergent can't take the power", a P&G spokesman said during the Power furore this summer. "With Futur, we've redesigned the car from the wheel nuts

added to improve stain bloody encounters.

Barrick advances Interpublic to acquire media-buyer

interpublic, the US advertising group, said it would acquire Western International Media, the country's largest indepen-dent media-buying company. in a deal which appeared to signal a consolidation of the US media-buying industry.

The deal could also indicate

a push by the US group into media-buying business in Europe, which is currently dominated by locally based groups. Western's customers in the US include such international names as Walt Disney, Visa International and BMW. Media buyers purchase

advertising space in bulk and sell it on to advertisers, either directly or through other agencies. The greater bargaining power available to big buyers has already prompted a consolidation in the European industry, with specialist buying companies, some of them owned by advertising groups, growing at the expense of individual agencies' buying depart-

The acquisition of Western, which claims to buy \$1.6bn of air time and other advertising space a year, could indicate an acceleration of the same trend in the US. It represents the first big acquisition by Interpublic, which has annual billings of \$15bn and whose agencies include McCann-Erickson, Lintas and the Lowe group. These agencies each currently buy their own media space.

The planned deal prompted other advertising industry executives to suggest that Interpublic was preparing to merge all its activities in this area into one company, creating a giant in the US mediabuying industry.

However, a spokesman for Interpublic denied that the Western acquisition would lead to a merging of the media-buying operations: "We have no intention of combining them. It's a free-standing acquisi-

This was interpreted in part as an attempt to calm concerns of the smaller US advertising agencies for whom Western currently buys space.

European-based advertisers have also been exploring ways of expanding their US mediabuying muscle. Saatchi & Saatchi, which in 1989 combined its European media buying activities in a single company. Zenith, is currently studying whether to adopt the same course in the US.

Together with the acquisition of an independent media buyer, Saatchi estimates the consolidation of activities in sixth of the European market. | pany are from Nexagen.

US biotech groups merge as similar moves loom

By Daniel Green

Two US biotech companies announced their merger yester-day, a move which could her-ald a series of similar moves from the cash-strapped sector. Nexagen of Boulder, Colorado, and Vestar of San Dimas. California, will merge to form

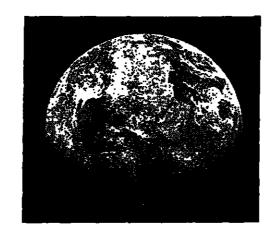
Nexstar Pharmaceuticals. Nexagen was floated earlier this year and, although it has the smaller market capitalisation, appears to be the senior partner in the deal.

The new headquarters is in Boulder, and the chairman and Zenith has given it about a chief executive of the new com-

The transaction will be effected through an exchange of 0.88 shares of Nexagen for each Vestar share. Nexstar will have a market capitalisation of about

Mr Viren Mehta, of biotech-nology specialist research boutique Mehta and Isaly, said that the merger was "indica-tive of the financial pressures

in the sector and on these two He said that Nexagen's technology showed more promise than Vestar's even though Vestar already haad a product approved and on sale in



There's Only One Place You Can Find The World's **Leading Specialists For**

> American And Global **Depositary Receipts**

> > Government Securities Clearance

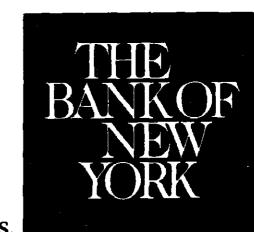
> > > Domestic And Global Custody

> > > > Mutual Fund Services

> > > > > Global Securities Lending

> > > > > > Stock Transfer Services

> > > > > > > And Corporate Trust.



Specialists In Securities Processing Services. (5) 1994 The Bank of New York. An Equal Opportunity Lender

Be it blood, oil, or other IMES

Unilever launched its Power products this spring, hailing them as a leap forward as significant for detergents as tran-sistors were for electronics. P&G hit back with assertions that Power damaged clothes. and showed tattered underwear to prove it. Independent arbiters failed to settle the dis-pute: consumer associations in some countries slammed Unilever's new detergent, while

others endorsed it.

Both sides claim they have increased the market shares of their ranges of detergents during the summer. But Unilever admits that Persil and Omo Power sales have fallen after every bout of bad publicity, and have had to be rebuilt through extensive promotions

Into this bruising world of advance in washing powders".

With its manganese catalyst "accelerator" in Power, Uniwill not hit shop shelves until January, accompanied by a £7m television advertising

More enzymes have been bracing itself for further

nder harsh artificial removal and an inhibitor helps sunlight, deep inside prevent dyes transferring from Procter & Gamble's one garment to another in the wash. A new bleach and water softener complete the formula. It incorporates 11 new technologies and has taken five years to devise. About 25 per cent less soap powder is needed per wash compared with existing detergents, reducing packaging by 30 per cent. Unilever makes similar claims for its Power

To substantiate its in-house findings; P&G commissioned three independent, anonymous test institutes to compare Futur with Omo Power. Overall, Futur was better than Power at removing food, body soil, general soil and grease stains but worse at cleaning

drmk stains. But close reading of the results shows that the competing powders are more evenly matched, making it hard for consumers to decide which one is superior in the kitchen, rather than ideal laboratory

Taking a wide range stains, one institute scored 14 "wins" for Futur over Power, six draws where neither was better and two losses to Power. The other two institutes scored 11-5-2 and 14-11-2 respectively.

"Power is about the best of competing products," a P&G executive acknowledges, but its Achilles heel is the catalyst. P&G says despite lower concentrations of the catalyst in the current version of Power, it is still attacking a wide range

Unilever says all detergents damage textiles and Power's adverse effects will only become apparent outside the normal lifespan of a garment. Meanwhile, it is searching for a way to stop the catalyst reacting badly with some dyes. Futur was launched in its first market, Germany, some six weeks ago. Officially launched in the UK today, it

campaign. P&G promises no knocking copy. Nevertheless,

INTERNATIONAL COMPANIES AND FINANCE

returns to

black but

By Michiyo Nakamoto

semiconductors

in Tokyo

Strong

skips payout

telecommunications

equipment, coupled with a

restructuring programme. helped Oki Electric, the

Jananese electrical machinery

maker, return to profitability

in the first half of fiscal 1994.

expectations and boosted

non-consolidated sales in the

period by 6.6 per cent to

Y273.1bn (US\$2.8bn) from

The company recorded

Y24.7bn in recurring profits -

before extraordinary items

and tax - compared with a

memory chips, particularly

improved

loss of Y6.8bn previously.

Buoyant demand

Y256,2bn last year.

Oki beat its own

demand

HK bourse chief to focus on quality of Chinese stock

Dr Edgar Cheng Wai-kin, who yesterday was elected chairman of the Hong Kong Stock Exchange, said that under his stewardship the exchange would continue reaching out to China, but that he was more interested in strengthening the quality of Chinese companies listed in the territory than increasing their numbers.

He said he would strive to ensure that the Chinese companies already listed in Hong Kong would provide benchmark examples of good governance, "Obviously, I would like to continue to see Hong Kong as a strong capital formation centre as well as a major trading centre for Chinese securi-

Dr Cheng, son-in-law of the late business tycoon Sir Y. K.

By Louise Lucas in Hong Kong Wide Investment, a non-listed the marketplace in order to part of Sir Y. K.'s business group, was elected chairman initially for one year, but if reelected could serve three terms

 as did Dr Cheng's predecessor. Dr Charles Lee. He therefore stands to steward the exchange through the colony's return to Beijing rule in June 1997. He has strong connections with Chinese officials. and is a Beijing-appointed Hong Kong affairs adviser.

Dr Cheng is active in bustness circles in Hong Kong and Singapore, and for the past three years has served both the stock exchange and the futures exchange at committee level.

Relations between the colony's two exchanges were hurt last week when the futures exchange unveiled plans to launch futures contracts on selected equities, a move for which it secured government blessing but omitted to consult ensure confidentiality and a competitive edge.

The stock exchange, saying the move posed questions of added risk and volatility, believes the market (including itself) should have been con-

Dr Cheng's appointment. which takes effect immediately, follows a week of council elections that spurned many of the colony's big broking

Mr Alan Murray, director of Jardine Fleming, the brokerage jointly owned by Jardine Matheson and Robert Fleming. lost his seat, while Mr Philip Tose, founder and chairman of Peregrine Investments - one of the most successful local securities and merchant banking houses - and Mr John Mulcahy, managing director of UBS Securities in Hong Kong

from the computer industry in overseas markets, and strong BHP cuts ties with Woodside orders for telecommunication equipment from NTT, the Japanese telecommunications group with which Oki has long-established ties, were the some links to the North West main factors behind the Shelf project through a 16.67 company's per cent interest in the LNG performance, it said. Oki also benefited from a export project, and a 8.33 per cost-cutting programme it implemented at the beginning cent share in the domestic gas phase. The BHP-related shares

> ing, which planned to place them with a range of institutional and portfolio investors. Woodside shares closed ? cents higher at A\$5.02 on the Australian Stock Exchange yesterday. BHP shares gained 12 cents to A420.64.

cut 40 jobs from the workforce

were sold to Were Stockbrok-

accumulated loss of Y16.5bn at the mid-term, passed its The company forecasts sales of Y530bn in the full year, compared with an earlier

forecast of Y527bn. Recurring profits are expected to total Y30bn, rather than Y10bn and net profits are forecast at Y27bn, rather than

of the term. Net profits

totalled Y22.1bn against a loss

However, the company, which still had an

Correction

Toshiba

Oki Electric | Cautious nod for News Corp stock tion after that initial period.

The Australian Stock Exchange's indexation department yesterday gave only a qualified nod to the new preferred limited voting ordinary shares which Mr Rupert Murdoch's News Corporation plans to issue this month.

It said it would include the shares in the calculation of Australia's All-Ordinaries index, the stock market's main marker, for at least three months, but review the situa-

If the new shares were welltraded and performed in line with the existing ordinary shares, they would remain in the index. If they traded in significantly different fashion,

The shares are being issued by way of a one-for-two scrip issue, and it is expected that trading will start on Thursday. News Corp's decision to issue the limited voting shares has been the focus of much

however, they would be

attention because of Mr Murdoch's apparent desire to raise new capital without diluting his family's control of the company any further.

If investors can be persuaded that the limited voting shares are roughly equivalent to the existing ordinary shares, News Corp would be able issue more of this class of stock without undermining the Murdoch voting position - except in a very limited range of circumstances. Last month, in a move designed to appeal to investors,

would amend its articles at a future extraordinary meeting, so that the limited voting shares are promised a dividend premium of not less than 20 per cent over the dividend on the ordinary shares, and are ensured similar treatment as the ordinary shares in the event of a bid for News Corp. Nevertheless, some sceptics

still believe that the limited voting shares will trade at a discount to the existing ordinary stock.

NEWS IN BRIEF

Challenge Bank

Challenge Bank, the Western Australian banking group, yes-terday announced a profit after

tax and abnormals of A\$40.3m

(US\$29.9m) in the year to end-September. This compared

with A\$21.4m last year. Operat-

ing profit, before abnormals

and tax, rose to A\$65.4m from

Challenge attributed the

improved performance to the

diversity of its business and

the relatively buoyant Western

MIM signs gold pact

MIM, the Queensland-based

metals group, and Haoma North West, a smaller Austra-

lian mining company, have

signed an agreement to

cent and is manager, is put at

Australian economy.

advances to

A\$40.3m

By Nikki Tait

A\$32.4mi

Japan's paper groups mixed

By Emiko Terazono in Tokyo

> Japan's leading paper manufac turers continued to suffer from cuts in paper prices due to stagnant

demand, but restructuring and cost-cutting efforts at the top two companies lifted earnings at the current level.

Benefits from mergers boosted interim profits at Nippon Paper Industries and New Oji Paper.

New Oji was created through a merger between Oji Paper and Kanzaki Paper in October last year, while Jujo Paper and Sanyo-Kokusaku Pulp merged to form Nippon Paper in April iast vear.

Earnings were also helped by a fall in import raw material costs due to the strong yen. Sales for the industry declined in spite of a rise in sales volumes due to sluggish product

Nippon Paper, however, said

A new smudge-free lipstick has

made an impression on profits

at Shiseido, with the leading

Japanese cosmetics manufac-

turer posting a moderate rise

Non-consolidated recurring

profits - before extraordinary

items and tax - for the first

in interim recurring profits.

year (%) +39.8 Nippon Paper New Oji Paper Honshu Paper 6.6 3.2 -6.9 March, the companies are

fell 26 per cent to Y4bn (\$41.1m) as income from securities sales fell to Y300m. Daishowa Paper, which is

1994 Interim results (Ybn)

currently undergoing financial restructuring from the mount ing losses on stock and real estate investments, managed to reduce losses at the recurring level - before extraordinary items and tax - from Y11.4bn last year.

Y2bn for the first half and cut interest bearing debts by Y11.5bn from last March to Honshu Paper blamed its

It reduced operating costs by

profits decline on falling paper-board prices. After-tax profits. however, rose 2.6 per cent to Y1.4bn due to a fall in depreciation costs.

New lipstick line boosts Shiseido

half rose 0.9 per cent to

Y15.9bn (US\$163m), while over-

all sales edged down 1.5 per

cent to Y196.8bn due to a sharp

decline in sanitary products

sales. After-tax profits

advanced 1 per cent to Y7.8bn. Sales of Shiseido's new lip-

stick line, launched in July,

totalled a record 2.3m units in

the first two months, helping

expected to see a rise in sales in tandem with the rise in industrial production and hikes of paper prices.

Change on

Nippon Paper revised up its unconsolidated earnings forecast for the full year and now expects a 21 per cent rise in recurring profits to Y11.5bn on a 2.1 per cent increase in sales

New Oji expects a 43.8 per cent rise in recurring earnings to Y15.1bn on a 12 per cent sales increase to Y545.3bn, while Daishowa sees a recurring loss of Y12.8bn on a 3.2 per cent rise in sales to Y284bn.

Honshu sees current earnings falling 13.9 per cent to Y6.8bn and sales declining 0.6 per cent to Y366.6bn. For the full year to next

sales of the company's cosmet-ic's division rise 1.5 per cent to

Y140.7bn. Revenue from its

beauty salons, foods and drugs

division fell 1.8 per cent to

For the full year to next March, Shiseido expects parent

recurring profits to rise 0.2 per

cent to Y32.5bn, and sales to

increase 0.2 per cent to Y392bn.

Y12.8bn.

develop the Nolan's gold project in North Queensland. The total capital cost of the project. in which MIM has a 50.1 per

Ravva deal agreed Command Petroleum, the Sydney-based company, said that together with three other joint venture partners - it had finalised a contract to develop the Ravva oil and gas field in the Bay of Bengal. Partners are Videocon Petroleum. Ravva Oil (Singapore) and the government-owned Oil & Natural Gas Corporation.

is approxime community for this $U \, \hat{\mathbf{S}}$

US\$100m). It also said that a Broken Hill Proprietary. further 76.8m shares owned by North West Shelf Develop-

ment, a joint venture company

held equally by BHP and Shell

The second tranche of shares

was disposed of at the same

price, raising A\$366m in total. Shell said the latter sale did

not affect its "long-term com-

mitment to Woodside". in

which it still holds a 34.27 per

Australia, had been offloaded.

Australia's largest company. vesterday cut its ties with Woodside Petroleum, the energy group which is the leading participant and operator of the North West Shelf gas project, through an institutional placing of its remaind interests in the company.

Late yesterday, BHP announced that it had sold the 28.3m shares in Woodside cent interest, and to the North which it owned directly at West Shelf project.

new partner was brought into

COMMERCIAL

PERSONAL POLICY GUIDE and

Key Features include:

identified at a glance

for negotiations with insurers.

Tel: 081 673 6666 Fax: 081 673 1335.

Name

Company

Address

Post code

Return to: COMMERCIAL/PERSONAL POLICY GUIDE

ommercial Policy Guide Personal Policy Guide

FT Newsletters, P.O. Box 3651, London SW12 8PH

Please send me a FREE sample copy of:

COMMERCIAL POLICY GUIDE provide

subscribers with clear, comparative summaries of

news of marketing strategies and new products.

POLICY GUIDE

ACY GUIDE

life and commercial markets, analysed by class of business.

a summary of the variations between policies in each sector

information on special underwriting criteria or preferences

a "side by side" comparison of covers so that differences can be

The Guides will provide essential assistance in identifying the most

appropriate cover as well as giving a valuable background of information

FREE SAMPLE BOOKLET Simply complete the order form below, or

attach your business

you a free booklet-

of charge.

sized sample of each

guide completely free

FINANCIAL TIMES

Newsletters

card and we will send

the different types of cover available in all of the important personal non-

CRA blocks copper plant upgrade

reduce CRA's stake. The Southern Copper refinery CRA currently holds a 60 per and smelter at Port Kembla in cent interest in the project, New South Wales may be alongside two Japanese invesclosed permanently. This foltors - Furukawa with 30 per lows the announcement by CRA, the Australian resources cent and Nissho Iwai Corporagroup controlled by Britain's RTZ, that it was refusing to half the investment relates to environmental upgrading and the rest to expansion "to support a A\$230m (US\$170m) upgrade of the facility unless a achieve a viable scale of opera-

place over the next two years. the project to "substantially" CRA's move follows four weeks of strike action at the plant. Over 300 employees walked out on October 4 in protest at management plans to

tion with 10 per cent. Just over of around 440. There has been minimal production since then. A decision on the plant's future is to be made by the Southern Copper board this tion", and would have taken month.

Toshiba forecasts sales of Y3,300bn in the year to March 1995, not Y2,440bn as reported



Margined Foreign Exchange Trading
Fast Competitive Quotes 24 Hours

By Emiko Terazono

SATQUOTE¹³¹ - Your single service for real time quotes. Futures * Options * Stocks * Forex * News * Via Satellite

CLIENT TRADING ROOM

BERKELEY FUTURES LIMITE 38 DOVER STREET, LONDON WIX 3RB

CALLING ALL CURRENCIES - 0839 35-35-15

■ Futures Call ■



USING THE HANDSET ON YOUR FAX MACHINE DIAL +44 81 332 7426 IN CASE OF DIFFICULTIES CALL US ON: 444 81 8488316 Currency or Bond Fax - FREE 2 week trial

24 HOUR London Dealing Desk II Old Jewny Landon EC: R #[71]



Petroleum Argus Daily Oil Price Reports end Products markets" Petroleum Argus

of Trading -FUTURES-



Tel: 071-815 0400 or Fax 071-329 3919

INVESTORS - TRADERS - CORPORATE TREASURERS LONDON +71 329 3377 LONDON +71 329 3377 NEW YORK +212 2696 686 FRANKFURT +4669 440871

TEL: 071 629 1133 FAX: 071 495 0022



From FOREXIA FAX \$ £ Dm Y NOW, FROM ANYWHERE IN THE WORLD, GET TODAY'S VERY LATEST ISSUE OF THE FOREXIA FAX FROM 0730 GMT EACH WEEKDAY, INSTANTLY DELIVERED TO YOUR FAX

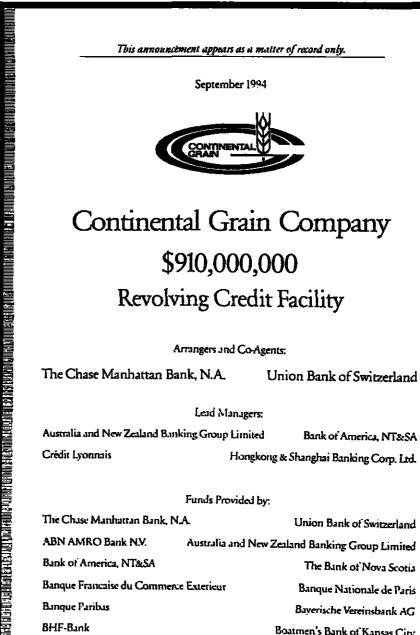
also daily gold and silver faxes rom Chart Analysis Etd Swallow Street, London W1R 7HD, UK -Fax: 0171-439 4966





London School

Intensive Futures, Options & Currencies trading Courses for Beginners to Advance



Continental Grain Company Revolving Credit Facility

Union Bank of Switzerland

Bank of America, NT&SA

Union Bank of Switzerland

The Bank of Nova Scotia Banque Nationale de Paris

Chemical Bank

Crédit Suisse

Boatmen's Bank of Kansas City Crédit Lyonnais FBS Ag Credit, Inc.

Generale Bank MeesPierson NV. NBD Bank, N.A.

Rabobank Nederland

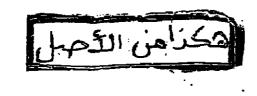
Standard Chartered Bank

Hongkong & Shanghai Banking Corp. Ltd. NationsBank The Northern Trust Company

Wells Fargo Bank The Chase Manhattan Bank, N.A.

CHASE

Societé Genérale United States National Bank of Oregon Union Bank of Switzerland

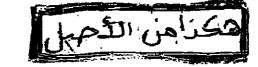


Henge Bank

स चंदयां बहुहस्सं

HN

inces to 0.3m





Get it live. Get the edge.

Imagine being the first to know when a market-moving story breaks, vital minutes before your competition.

Imagine getting the story direct from the source, live, without delay.

That's the advantage you get from Reuters Financial Television. It puts live TV coverage of the financial news that matters in a special window right on your PC or workstation, integrated with your usual Reuter information.

Since its launch in June this year, Reuters Financial Television has carried an average of three live events every day, covering interviews, press conferences and speeches from the key players in international finance such as Tietmeyer,

Greenspan and Mieno, many of them exclusively. The speed advantage over other services has been anywhere from 30 seconds to 2½ minutes.

Unlike conventional TV news it concentrates exclusively on financial events, and alerts you only when something relevant is happening. You'll also quickly get informed reaction and analysis from respected market analysis to ensure you have the complete picture, plus news updates throughout the trading day.

It's like being there as international financial figures shape the news. The competitive advantage is obvious. And of course it's nice to know they told you first. Be there with Reuters Financial Television.



INTERNATIONAL CAPITAL MARKETS

US Treasury prices fall back on profit-taking

and Conner Middelmann in London

US Treasury bond prices fell victim to profit-taking vesterday morning as traders reacted to the first in a series of important economic reports due out

By midday, the benchmark 30-year government bond was % lower at 94%, with the yield rising to 7.982 per cent. At the short end, the two-year note was down it at 100 to yield 7.982 per cent.

After the market rang up solid gains on Friday, prices receded in early trading yester-day. With the long bond jumping by about a point to close last week's action, traders prudently decided to step back a

In spite of the retrenchment. the positive mood appeared to

suggested that the market may have touched bottom before Friday's disclosure that the economy had expanded in the third quarter at an annualised rate of 3.4 per cent, much stronger than analysts had forecast.

Although the headline figure could well have rattled the inflation-sensitive long end, bonds held steady on Friday and then climbed in relief over the initial calm reaction. During the session, the yield slipped below 8.00 per cent, an important psychological mark breached a week earlier.

Yesterday, however, traders were looking ahead for fresh guidance. The first piece of news in this week's busy schedule came at mid-morning.

The Purchasing Management Association of Chicago announced slight gains in both

By Frank McGurty in New York hold. The shift in sentiment its October index of business activity and the prices-paid component of the monthly survey. The mildly unfavourable developments had little impact,

however. Instead, attention was directed at today's national survey of purchasing managers and Friday's crucial report on

GOVERNMENT BONDS

conditions in the labour market. In general, the reports were expected to be benign for

■ European government bonds drifted lower in moderate volume, dragged down by weaker US Treasuries. With France closed for the day and market participants in other countries winding down for today's All

Saints' holiday, flows were ■ UK gilts also slipped in light thin and dealers reported little investor activity.

■ After opening on a stronger note, German bunds ended the day nearly 1/2 point lower, slipping on a bout of futures selling which pushed the December bund futures contract on Liffe as low as 98.08, down 0.41 on the day and close to the 89.00 level considered to represent key technical support.

The slippage was attributed to the weakness of US Treasuries and to dealers paring back long futures positions established last week.

Adding to the softer tone was the Bundesbank's announcement that it plans to issue a new 10-year bund on November 8 and 9. After its recent floating-rate issue, it has returned to its more traditional fixed-rate bonds.

trading, shedding some of the gains posted on Friday. Weakness in neighbouring bond markets and slightly stronger than expected money supply data fuelled the profit-taking, which pushed the December

The short end of the yield curve came under particular pressure from reviving talk of an imminent increase in base

long gilt futures contract down

to 100#.

Interest rate jitters have turned the market's focus to today's release of the Bank of England's quarterly inflation report and tomorrow's meeting between Mr Eddie George, the governor of the Bank of England, and Mr Kenneth Clarke, the chancellor of the exchequer. The December short sterling futures contract fell 0.11 to 93.47.

■ Swedish bonds opened lower after Moody's Investors Service, the international rating agency, said late on Friday that it was placing Sweden's foreign currency debt on review for downgrading on concerns about the country's

public-sector deficit.

However, with few foreign investors left in the Swedish market and domestic investors reluctant to sell, prices held up relatively well and ended the day only slightly lower.

The market remains partially underpinned by widespread hopes for a "yes" vote in the European Union referen dum on November 13. Moreover, Moody's threat to

downgrade Swedish debt may serve Finance Minister Goran Persson as a tool to help push budget cuts through parliament in January, observers

GDR issues in India about to enter new phase

By Martin Brice

The Indian government's announcement over the weekend that it is changing the rules for companies making international equity offers may mean the market for global depositary receipts issued by Indian companies is about to enter a new phase.

The move was prompted by large inflows of foreign capital - about \$2.1bn of Indian global depositary receipts (GDRs) have been issued so far this year - and the Indian government has acted on two fronts.

First, it has said companies no longer need to use capital within 12 months of raising it. However, to slow the flow of funds into India, proceeds must now be kept abroad until they are needed.

Second, the government has banned the use of warrants, which give investors the right to buy shares at a fixed price in the future. Issuing warrants was sometimes used to make offers more attractive, since they could be priced more cheaply than existing shares. You tended to use warrants

when you needed to get the issue away," said one banker involved with GDRs.

Ending the use of warrants is likely to mean a two-tier market emerging for GDRs. some bankers believe. First-division companies will be able to raise capital successfully with GDRs but second division

companies may struggle. Blue-chip companies like Bajaj Auto, the highly-successful Indian scooter maker, will always have a following among investors. However, GDRs issued by second-tier companies may join the 85 per cent of Indian GDRs trading at a dis-

count to the local shares.

"There is a flight to quality and liquidity," said one

Ironically, bankers agree that the need for action was prompted by the success of the mdian government's liberalisation programme, as companies have moved to take advantage of access to free-market inter-national capital. "This is a goverument that is not quite sure if the market should rule or whether it wants to control the market," said a banker.

Electricity offer | NTT finds strong UK demand for \$300m deal in Thailand oversubscribed

By William Barnes in Bangkok

The first flotation of part of Thailand's electricity industry has attracted funds worth nearly \$8bn - driving the offer price of the Electricity Generation Co (Egco) to Bt22 a share. "It's getting to be quite unbe-

llevable – we knew the share would be popular but this has surprised us," said a member of the Jardine Fleming team co-managing the offer.

The indicated price range had been Bt17-Bt20 but this was lifted because the local portion of the offer - a total of 147m shares - was oversub-scribed at least 50 times and the international tranche of the remaining 57m shares oversubscribed more than 20 times. At Bt22 a share Egco's market capitalisation is nearly

By Graham Bowley

Japan's Nippon Telegraph and Telephone yesterday launched a \$300m offering of five-year bonds priced to yield 24 basis points over US government

The deal, NTT's first offering in the dollar sector for almost two years, met strongest demand from UK institutional

INTERNATIONAL BONDS

investors, joint lead manager JP Morgan said. Bonds were also sold to Japanese accounts ers in the Far East and investors in Switzerland and Ger-

many, JP Morgan said. The offering, which was believed to have been swapped

managers, who said the bonds were fairly priced. One syndicate manager in London said: "The bonds could

have been priced slightly tighter than they were but to get deals away at the moment you have to make sure they are priced attractively." Recent five-year offerings by Triple A credits like Japan

reichische Kontrollbank are now trading at around 20 basis points above US Treasuries, which makes the NTT bonds attractive to investors on a yield basis, JP Morgan said. The launch spread was maintained after the bonds were freed to trade. JP Morgan said that the offering was one of only a few recent dollar deals

Development Bank and Oester-

has not widened out immediately after being launched. into fixed-rate yen, was well Interest in the US dollar sec-received by other syndicate tor has picked up recently, par-

in which the pricing spread

NEW INTERNATIONAL BOND ISSUES US DOLLARS Sanwa Finance Arubat Nippon Telegraph & Telephor Nov.2004 Undisc. - Sanwe Init. Nov.1999 0.25R +24 (7½%-99) J.P.Morgan/Parib: Şembander v Cofirl intiL≯ 99.93R Dec.1999 0.20R · +45/61/41/6-99) Dresdner Back Ford Credit Europe 7.50 Final terms and non-calable unless stated. The yield spread fover relevant government bond) at leanth is supplied by the lead manager, *Unlisted, #Rosting rate note, R; fixed re-offer price; fees are shown at the re-offer level, a) Coupon pays 5 month Libor + manager. *Unlisted. ‡Floating rate note 25bp until 15/11/99 then pays 60bp the

ticularly from institutional investors in the Far East, and spreads in the dollar secondary market have tightened, traders

In the D-Mark sector. Ford Credit Europe launched a DM200m offering of five-year bonds targeted at retail inves-

The bonds were priced to yield 45 basis points over the equivalent German govern-

ment bonds and the proceeds were believed to have been swapped into floating-rate D-Mark. The spread widened slightly to around 49 basis points over after the bonds

following the success of a similar issue by BMW in September, lead manager Dresdner Bank said. The prospects for the D-Mark

FT-ACTUARIES FIXED INTEREST INDICES

118.94

138.32 155.12

185.69 172.63

127.09

Day's change %

-0.08 -0.25 -0.30 +0.10

-0.20

Fri Oct 28

119.04

127.39

2.37

The offering was launched

were freed to trade.

Up to 6 years (24)

5-15 years (23) Over 15 years (3)

Up to 5 years (2) Over 5 years (11) All stocks (13)

Debs & Loans (77)

sector are encouraging, one trader said. Retail investors, in particular, are being attracted by the relatively high yields and current low German inflation rate, he said.

The yen sector saw two new bond issues, targeted almost exclusively at institutional investors in Japan, including a Y30bn offering of bonds due February 2000 by Santander

yld

5.07 4.36 4.41

9.53 5 yrs 11.00 15 yrs 10.57 20 yrs

Up to 5 yrs Over 5 yrs

Merrill opens in Jakarta

Oct 31 Oct 28 Yr. ago Oct 31 Oct 28 Yr. ago Oct 31 Oct 28 Yr. ago

Oct 31 Oct 28 Yr. ago Oct 31 Oct 28 Yr. ago Oct 31 Oct 28 Yr. ago

7.84 9.68 9.64 8.15 9.63 9.59

6.20 8.71 8.67 6.43 8.89 8.84 7.09 8.72 8.68 7.22 8.94 8.90 7.18 8.72 8.68 7.26 8.82 8.78

Oct 31, Oct 28_ Yr. ago

2.85 3.70

By Manuela Saragosa in Jakarta

Merrill Lynch has set up a joint venture with Indonesia's PT Persada Kian Pasti Lestari, making it the first US-based. securities firm to open an

office in Jakarta. "We have clearly identified Indonesia as probably one of the best opportunities in the world, if not the best opportu-

8.65 8.54 8.49 8.57

9.70

Oct 21 Oct 28 Yr. ago

8.69

David Komansky, executive vice-president of Merrill Lynch. The office will deal with corporate finance, trading, underwriting, asset management and research and will be headed by Mr Mitchell Shivers, who is moving from Marrill Lynch's

New York office. Merrill Lynch will own 80 per cent of PT Merrill Lynch Indonesia while the Indonesian company will own the remainnity, for our industry," said Mr ing 20 per cent

H9bn.		recei	ved by o	other sy	ndicate	tor has	picked u	p recent	ly, par-	equiv	alent	German	gover
WORLD BO	ND PRICE	s	1										
		MENT BOI	ND6			Italy							
J. T. THINKS	NHENOV.		Day's	Week	Month	III NOTIO	NAL ITALIA) FUTUR	ES		
·	Coupon Da			leid ego	ago		Lira 200m	100ths of	100%				
ustralia sigium	9.000 09/ 7.750 10/	04 95.1800		.53 10.17 .49 8.47	10.30 8.56	Dec	Open 100.61	Sett price 99.80	Change -0.67	High 100,67	Low 99.72	Est. vol 27718	Open k 69401
nada " ganak	8.500 06/ 7.000 12/	04 83,6000	-0.250 9.1	10 9.11 98 8.80	8.92 9.07	Mar	99.26	99.06 99.06	-0.67	99.26	99.72 99.26	100	5216
ance BTAN	8.000 05/	98 -		- 7.53	7.58								
QAT CAT	5.500 04/ 7.500 09/		-0.430 7.4	- 8.25 .84 7.56	8.24 7.63		N GOVT, BO			OPTIONS	(LEFFE) LI		ths of 100
Ny pana No. 119	8,500 08/ 4,800 08/		-0.770 11.75 +0.100 4.1	3† 11.84 .10 4.14	11,64 3,94	Strike Price	1	CAI Dec	Mar	·	Dec	- PUTS -	Mar
pan No 184 stherlands		03 85.9510		74 4,71	4,61 7,63	9950 10000		.28 .03	2.33 2.10	•	1.23		2.77 3.04
ein '	8.000 05/	04 81.4500	-0.510 11.3	25 11.21	11.22	10050		.79	1.90		1.49		3.34
(Gifts	6.000 08/ 6.750 11/		-8/32 .8.0 -10/32 8.7		8.74 8.92	Est vol. to	≥4, Č e≣a 2246	Puta 924, P	revious day's	open int.,	Calls 24611	Puts 30396	
3 Treasury *	9.000 10/		-11/32 8.0 -5/32 7.8		8.88 ° 7.86								
· · ·	7.500 11/ 6.000 04/	24 84-12	-8/82 8.0 8.6	00 8.02	7.87	6							
iU (Franch Govi) xion closing, 'New Yo	rit mid-day		Yieki	de: Local mark	8.75 ent standerd.	Spain u Nomo	NAL SPAN	SH ROND !	AMURES A	1			
Bross (including with) cas: US, UK in 32nds	olding tox at 12.6 Lotjum in decima	per cent payable t i	y normeddental S	g Source: MAIS	internetional		Open	Sett price	Change	High	Low	Est. voi.	Open I
\$ INTERES	RATES			<u>, , , , , , , , , , , , , , , , , , , </u>	 .	Dec .	87,37	86.84	-0.61	87.A2	88.58	33,882	73,49
nctrüme			BEEs and Bond			Mar	. 86.00`	85.60	-0.05	86.00	85.00	107	107
pe rate	74, Two page 61 ₂ Three mid	.	4,54 Two yea 5.25 Three ye 6.18 Fixe yee		6.84 7.97								
tunds	4% Stx mont	1	5.70 10-year	<u> </u>	7.85 7.85	UK		:	-				
JULES OF STREET	Gas year		6.16 30-year		. 200	M NOTTO	NAL UK GIL		<u> </u>				
OND FUTUI	ES AND	PTIONS	_			Dec	Орел 101-03	Sett price 100-19	Change -0-12	High 101-03	Low 100-15	Est. vol 29764	Open in 106334
			-			Mar	100-00	99-22	-0-12	100-00	100-00	1	47
Taince Notional Fren	CH BONE =	EDEQ ALLTER O	otober Co			E LONG	GELT FUTUE	ES OPTIO	NS & BEITE	250.000 A	ethe of 10	056	
Open	•	nnes (MATA) Oc hange High	Low	Est. vol.	Open int.	Strike		- CAL				- PUTS	
c 109.92	109.94 4	0.26 110.26	109.68	128,214	134,146	Price		Dac	Mar		Dec		Mer
s 109.20 n 108.42		0.26 109.34 0.24 108.50	108,98	1,008 172	11,580 1,261	100 101		-30 -80	· 2-15 1-48		0-56 ° 1-22		2-35 3-04
. ,			.	,-	,,	. 102 Est val tet	0- al, Calle 7303	35 ·	1-22		1-61		3-42
		· ,	· - · · ·					100	Terror Gay	- upur,			
LONG TERM FRI	CALLS	TIONS (MAIR)		PUTS						•			
ce De		Jan	Nov	Dec	Mer	Ecu -							
0 0.1 1 0.4		1,34	0.94		- 3.07		OND FUTUR	ES (MATIF	October 2	28			
2 0.5	3 0.77	1,00	2.25		-		Open	Sett price	Change	High	Low	Est. vol.	Open k
3 . 0.: 4 . 0.(:	:	:	:	Dec	80.04	80.14	+0.38	80.34	79,82	1,321	6,515
c. vol. total, Calls 49,	748 Puts 21,090 .	Previous day's op	en Int., Calls 21	58,828 Puts 2	296,934								
NOTIONAL GERM Open sc 88.63	Sett price Ci	nenge High 0.36 88.71	LOW 89.08		Open Int. 173808	Dec Mar	Open 97-12 96-22	Latest 98-07 97-16	-0-04 -0-06	High 98-13 97-22	98-04 97-15	Est. vol. 542,634 8,214	Open in 380,484 27,715
er 68.76	88.33 -	0.36 88.77	88.70	122	5985	Jan	•	97-00	-0-02	97-01	97-00	472	11,315
BUND FUTURES) DM250,000 po				Japan						_	
rike ——— ice Dec	CALLS Jen Feb	· Mar D	Dec Jen	PUTS	Mar		NAL LONG Y			VT. BON	D FUTUR	EŠ	
00 0.85	0.79 1.03	1.17 0.	72 1.46	1.70	1.84	(EITE)	Open	Close	Change	High	Low	Est. vol	Open in
60 0.80 100 0.40	0.59 0.82 0.44 0.85		.97 1.76 .27 2.11	1.99 2.32	2.12 2.44	Dec Mar	107.92			108.20	107.92	3160	Ō
z. vol. total, Calls 961	Puts 4375. Previ	oue day's open inc	, Calle 282416	Puls 222815	ı		107.22 tracts traded o	o APT. AE C	pen interest	107.22 figs. are to	107.18 previous d	254 by.	e
									-	_	-	-	
JK GILTS P	RICES	التنزيز											
al.a	Yati		994	_		leki Dari Dalanca		94		:	_ Yield	ba 6 -	1994
Hotes		ce£+or- High			ighes list	Red Price E +				Notes (i	y (2) Pt	COE + CT-	High (
xis" (Lives up to First) as Apc 1984## has 1986	8,99 - 100		100 A Convers	3 ³ 20C 1999~4 Hon 9 ³ 29C 2004	4 9.10	7.50 73 ₃); 8.83 1042 ₇	-), 86), -1, 125),	101]] 2pc	-Lipitopi 196	(2018) 57 (2018) 57 (2018) 57	1 420	1994	2007, 19
bc 1985 h Spc Gas 1990-95	11.83 5.75 10 3.04 5.81 5	明 十二年	974, 81 ₂ p	Apc 2004## oc 2006	8.64	8.72 8872mi 8.71 9833	-3, 1067 _€ -3, 1002	07 23	ـــــــــــــــــــــــــــــــــــــ	<i></i>	77 3.70 15 3.87 25 3.86 16	1074	1134 10 1764 18
1405 1995	12.06 6.90-105	ية135 ــــالعبا	105% Page 12	lg pc 2005 21 ₂₀ c 2003–5 .		8.80 104% 8.11 120 <u>2</u> 34	-1, 125h -1, 143h	45	x: 1041#(35.0 3.5	19i	1073	173% 15 118% 10
7496	13.73 7.38 111;	72 — 1174	110% 74pc	2008## 202-8##		8.71 923 8.77 94 <u>%</u>	R 11232	90 212	'05 = '09	(1905) S.(S 3.88 15		18417 16 1882 14 1753 15
194pe 1996## vention 10pc 1996	12.23 7.47 108 8.62 7.90 108	& - & 11747		14pc 2003-7.	10.22	9.11 114段	-13 1384	1124 21	c1i c <u>1i</u>	(74.6) 3.6 (89.2) 3.2	0 3.56	1264 – A	1461- 12
e Cor 7pc 1997#‡ s 13%pc 1997#‡	7.17 8.00 9 12.01 8.05 11	02 - 100% 02 - 1215	110g 13 ¹ 20	¹ 2pc 2007 ## \$7 2004-8	12.E2	8.69 98 3 9.13 1271 ₆	-13 111% -14 1364 -14 1184 -14 1814	959 21 ₂ 1243 21 ₂	e 145 ± 20	61.6 1.7 62.0 1.7	8 3.90	1004 — 11504 — 11504 — 11504 — 11504 — 11500 —	1574 13 1528 12
10 ¹ 29C 1997 6 8 lags 1997##	10.00 8.07	105 4 1144	10412 Trees 80	pc 2008 # nc 2009	8.78 8.48	8.67 1022 8.65 944	-1 12 0 1	912 414	c 30±2((97.7) 8.7 (95.1) 9.7	3.92	1082 -A	1286 10
15pc 1997	12.81 8.40 11	74 4 1318	11643 10233					Prosp	rective real r	edemption Figures in	ratie on pro parenthe	jected inflation see show R	n of (1) 10 Pt base
7 74pc 1996 8 84pc 1995 6814	7.52 8.51 8 7.12 8.51 8	明 - 3 1082	955a 9311					index	ing ée 6 mg	nths prior i		nd have been bruary 1987.	i adkadad
pc 1998-1	12.07 8.00 116		11513	Reso Years				facto	3.945. RPI 145.0	for Febru	ry 1994:	42.1 and to	Septemb
s 15 ¹ 290 '98‡‡ I 12ps 1998	10.80 6.89 111		110% Tress 61	1/4pc 2010	7.78	6.52 80@xd	-14 98년 -14 98년	7713					
8 9720C 1990## 12 40C 1999	10.86 6.76 11	원 - 로 116로 2조 - 로 126로	1113 Treas 9p	c (a 2011 井 p: 2012井	8.72 8.70	8.62 103 <u>/2</u> 8.60 103 ² 2	-B 127%	100%	er Fixe	ed inte	rest		
	9.85 8.72 106	- 1212 08 - 2 1012	1052 Trace 5	295 2008-12‡ pe 20131‡	‡ 7,48 8,43	8.36 73 ¹ 2 8.65 947a	-12 83% -11 1178	714 92			. Yest t Rad F		1994
u 10 ¹ 200 1999		- II IVIII		2012-15##	8.40	8.54 92 <u>2</u> 8.53 1004	-13 1144	892		Metes is	t Rad F	100 E + 0" -	High L
u 10 ¹ 200 1999								99 h Autori					
ur 10 ¹ 2pc 1999			Trees 84	upe 2017## pc 2013-17	8.57 9.20	8.77 129%	-3 1284 -3 1594		Dev 10 ¹ epc 20 11 5ec 2012.	00 <u> </u>		11612	1363 ₁ 160 162 1
ne 10½go 1939 ne 8po 1989 ‡‡ n lo Filiant Years		_5 45429	Trees 84 Each 12p	lgc 2017∰			-13 159 ¹ 2	126 ₇ B Tapes Taples 2	11 296 2012. Cap 6 206 10		9.72	95%	142 1 110 ¹ 2 81
is 10 ¹ -no 1999 is 8po 1999 	9.67 8.78 106, 9	9 39 100 Å	Trees 84 Each 12p 10412 99j3	lgc 2017∰			-13 159½	125 ₁ B'han valent Spe 13pe	11½96 2012. Cap 6½96 116 Cap 1996 197-2	10.9 L 8.7 8.9 11.9	0 9,72 9 - 6 - 1	115 864 1004	142 T 116 ¹ 2 93 103 ¹ 2 98 115 ¹ 4 T
in 101-pp 1999 in 6pt 1999 21 in 10 Filteren Yours render 101-pp 1969 is Filty Rete 1999 or 2000	9.67 8.78 108, 9 8.27 8.70 9 8.89 8.71 10	9 39 100 Å	Tree: 84 Each 12p 104 2 99 3 95 95	lgc 2017∰			-13 1394 -13 1394	126/3 BTmm Indexi Spc i 13px Hydro Leezs	11½gg 2012. Cap 6½ge *16 Cap 1996 197-2 Owntree 15pc 2 13½ge 2006	10.0 8.7 8.9 11.9 011_ 10.0	0 9,72 9 ~ 6 ~ 5 ~ 1 9,87	125 二	142 T 119½ 81 103½ 98 115½ T 1693 137
in 101-pp 1999	9.67 8.78196, 9 8.27 8.70 9 8.89 8.71 10 11,01 8.89 10 9.50 8.88 10	発 ・ 100点 ・ 100点 ・ 110点 ・ 110点 ・ 110点 ・ 120点 ・ 122点	Trees 84 Each 12p 104/2 99/3 95 927 Underhal 1031- Conscis.4	1.gc 2017 11 pc 2013 - 17 1 4ec	9.30	8.77 128°4 - 65°4	-≾. 39 1 ,	126% Prayer Palent Spe: 13pc Hydro Lends Liverpr 4413 LCC 3	11 1 ₂ 90 2012. Cap 61 ₂ 90 116 Cap 1996 197-2 Capture 15pc 1 131 ₂ 90 2006 Od 31 ₂ 90 kred or 20 AR	100 1 8.7 8.8 11.9 11.9 10.1 10.6 10.8 9.5	0 972 9 - 1 5 - 1 1 9.87	115 864 1004	142 T 110 ¹ 2 S2 110 ¹ 2 S2 115 ¹ 4 T 1693 137 149 ¹ 4 13
in 101-pp 1999	9.67 8.78 106, 2.7 2.70 9 8.89 8.71 10 11.01 8.89 11 9.50 8.88 10 7.71 8.79 90	発 ・ 100点 ・ 100点 ・ 110点 ・ 110点 ・ 110点 ・ 120点 ・ 122点	Trees 84 Each 12p 10412 9933 95 927 11693 Connels 10312 Connels 6831 War Low	14 2017 11 pc 2013 - 17	9.30	\$.77 128°g	- 561 561 1	126% Prayer Palent Spe: 13px Hydro Leads Livery 4413 LCC 3; 3910 Manch	11 1 ₂ 96 2012. Cap 61 ₂ 96 116 Cap 1996 197-2 Capture 15pc 2 131 ₂ 9c 2006 Capture 111 ₂ 96 2 Capture 111 ₂ 96 2	100 1 8.7 8.8 11.9 10.1 10.6 10.6 10.6 10.7 10.7 10.8 10.7 10.8	0 0.72 9 ~ 6 ~ 1 5 ~ 1 1 8.87 0 ~ 9 ~ 9 886	115	142 T 110 ¹ 2 83 103 ¹ 2 99 115 ¹ 4 11 1693 137 149 ¹ 4 13 44 ¹ 4 33 40 ¹ 2 25 136 ¹ 4 131
as 10 lgs 1999	9.67 8.78108, 8.27 8.70 9 8.89 8.71 10 11.01 8.89 11 9.50 8.88 10 7.71 8.79 90 9.31 8.90 10 8.42 8.83 9	원 100년 원 -권 96년 나 -권 126년 5년 -권 122년 원 -권 122년 선 -원 123년	Trees 84 Each 12p 104[3] 905 927 ₃ 1109], Consider 11031 ₂ Consider 1031 ₂ War Lour	1 4pc 2017 17	9.20 8.72 8.51	6.77 128% - 45% - 41%	-≟ 35t 54d	126] STREET INTEREST SPECIAL S	11 1 ₂ 90 2012. Cap 61 ₂ 90 116 Cap 1996 197-2 Capture 15pc 1 131 ₂ 90 2006 Od 31 ₂ 90 kred or 20 AR	10.0 8.7 8.9 11.9 1017 10.6 10.8 10.8 10.8 10.8 10.8 10.8 10.8 10.8	0 0.72 9 - 1 5 - 1 1 8.87 0 - 1 9 9.58 1 6.01	115	142 T 1161 ₂ S3 1151 ₄ 10 1693 ₄ 137 1491 ₄ 13 441 ₄ 33 401 ₂ 28

		it ini kat 28 (_	6 Oct	25 Yrago Hight	Low	GIL1	F ED	GEL) AC	TIVITY II Oct 28	NIDICES Oct 27	Oct 26	Oct :	25 (Oct 24	
						.40 102.36 107.04 .48 124.25 133.87			iged be			72.7 79.8	81.1 83.4	90.9 84.4	87.	8	64.8 84.5	_
	t Securides h	ich since	сополь	dore 12	7.40 64	7/35], low 49.18 (3/1/76										i Nent Secu	09.0 rities 15/	710/
	1000. GE po	and the		JO2 101	-								-	•		:		
														·				
T/ISMA IN	TERNA	TON/	L BO	DND	SET	RVICE									·		:	
ed are the latest int	ternational bo	nds for w	hich the	re is an	adequ	ate secondary markst. I	steet prices a	t 7:00 pr	n on Oc	tober	31 31					·		_
	leaned	84	Offer	Chg.	Yield		lesued	Bld	Offer	Chg.	Yield		·	feemed	Bid	Offer C	hg. Yi	feld
DOLLAR STRAIGH By Ned Traceury 6½ (0 85 ¹ a	883		8.50	United Kingdom 7 ¹ s 9 Volkswagen ind Fin 7 (7 550 13 100	100%	101 94 ¹ s		8.79 8.02		easury 6 08 9	1000	91 ¹ 6			157 174
nta Province 7 g 98 . nta 8 g 00	100	993 ₁ 1023 ₁	894, 1025a		7.81 7.91	World Bank 0 15 World Bank 6% 03	200	197	20% 88%	پد	7.94	British Land 8	7 28 E	150	8712	. 88 -	12 10	49
k Next Gerneersten 7 :	99 100	0 66%	95%		7.86	World Bank 84, 00							æz	637	99 ¹ 4 103 ¹ a	98 ¹ 2 108 ¹ 2	4 8	190 138
c of Toleyo 6½ 98 Lum 5½ 03	100	92 ⁴	101 1 62 1	44	7.36 8.41	SMSS FRANC STRA						Halliax 10 ³ g 9 Hanson 10 ³ g	97 E	100 500	103 ⁵ 2 103 ⁵ 2	104 ·		.55 .08
Len 5½ 03	18 180	3 1005 ₈ 3 94,	101 104	44	7.42 9.00	Agian Dev Benk 6 10 . Austrie 4 ¹ 2 00	100 1000	99 ¹ ¢	984 984		6.07 5.38	HSBC Halding	ps 11,69 02 E	153	1087	100Pa	- 10 Bi	97 74
rds 9 96 rng Kong Fin 5½ 96	100) 1021g	1024 891 ₂	44,	8.97 8.95	Austrie 4 ¹ 2 00		96½ 95½	99 ¹ 4 95 ⁵ a		5.16 5.31	Japan Day Bi	700 2	200	913	814	8.1	82
a 6 ¹ 2 04	100	644	84% 101%	41	9.24 7.19	Denmark 4 ¹ 4, 99	300	105	10514	1	6.07	Land Seco 91 Ontato 111 ₀ (DI &	200	97 1074	107		3 1
a 6 ¹ 2 04 ncll Europe 8 96 & Fonder 8 ¹ 2 98	30	105	1061	+4	7.82	Elec de France 74 08 Finland 74 99	100	107 ¹ 4 108 ¹ 2	108 107 ¹ 2	ولـ		Powergen 84 Seven Trent	11 ¹ 2 99 £	250 150	96 1075a		7 81 7 81	
nesk 5% 98	04 <u></u> 800) 68½	95% 68%	44	7.49 8.44	Hyundal Motor Fin 8 ¹ / ₂ lotlend 7 ² / ₂ 00	97 100 100	105 ¹ 2 105 ¹ 4	106 ¹ 2 107 ¹ 2		6.33 6.19	Tokyo Bec Po Abbay Nation	74467 11 01 E al 0 86 NZS _	150 100	107 ¹ 2 841	107% 85%	9,4	40 38
C 8 ¹ 4 90 8 ¹ 4 90		3 1013 1015	1025	+1	7.30 7.12	totiend 7 ⁵ 2 00	240	1005	104 101	护	5.82 6.17	TCNZ Fin 9% Credit Local 6	02 NZ\$	75	97 ¹ 4 87%	984 1	J. 9.7	78
84, 98	250 1/107	1014	101 ¹ 2 105		6.99 7.44	Ontario 6 ¹ 4, 03	100	63	85 1074	-112	6.99	Sec de Franci	81.22 ffi.	3000	96%	88 ¹ a 97 ¹ a	8.3 8.0	07
CO HORCE & RE	a	1034	104 ¹ 4 103 ¹ 4	44	7.67 7.01	SNCF 7 04 World Bank 5 03 World Bank 7 01	150	95l ₂	96	44	5.68	SNCF 914 97			1037	1044	7,4	43
lma 9 ¹ 4 96 o Bank Japan 8 02 ,		987	8914	416	8.19		ou	100%	107	÷ŗ4	5.69	FLOATING R	ATE NOTES	issued	Bid	Offer	Gq	
nt Day Corp 9½ 98 . nai Nati Mort 7,40 04	150 4 1600	105-2 95 ¹ 4	1054 95 ³ 8	14	7.75 8.26	YEN STRAIGHTS Belgium 5 99	76000	1024	1023	,4	4.52	Atthey Ned Tin	eaury -; 95	1000	99.40	99.49		_
nd 6% 97 Motor Credit 6% 96	2000	. Ant.	96 ¹ 4	ΨĘ	7.58 7.91	26 6 00	100000	1095	1097 105	1	456	Banco Roma (Beighan & 97	099 DM	200	99.87 100.12	100.01	5.56	
BOC CHOSEN 972 96 .	300	103%	103 ¹ 2 102 ¹ 2	44	7.11 7.38	Index Alman Class 7Ls (10)	27777	447	1134	4	4.54	BFCE -0.02 90 Britannia 0.10		350	39.76 99.94	99.89	4.730	000
C 91 ₈ 98 k Japan Fin 71 ₈ 97 .	200	1001	100%		7.78	Japan Day Bk 5 99	100000	1052	1024	+10	5.04 4.39	Canada - 4 99	١.	2000	99.24	9931	4.625	50
Amer Dev 7*2 98 5*2 23	3500	77%	1014 78	44	7.00 9.28	lady 3 ¹ 2 01	120000 50000	110 1043	110½ 104%	+14	4.78 3.45	CCCE 0 06 5: Credit Lyonnel Denmark -1 ₈ 9	s i 20	200 300	98.93 97.51	95.16 97.98		
17g 23 1 Dev 8k 87g 01 16 Blac Per 10 98	500 350	1034	101 ½ 104	4	8.13 7.05	Norway 53, 97 SNCF 63, 00	150000 30000	103¾ 109¾	103 % 1104	4 ¹ 2	3.65 4.61	Drietting Fings	100 Y 28 DW	1000	99.54 99.99	99.55 100.08		
1. Elec Power 67g 08. 1. Fin 8 97	200	10012	101 ja 101 ja	1,7 1,7	9.09 7.72	Spain 51, 02 Sweden 47, 98	بمبيها بيسي	IUDE	1054 101 ¹ 2	**	4.82 4.16	Feno del Stat i Finland 0 97		1000	99.95 99.93	100,15 100,01	5.100 5.375	
utrila Bec 7 ¹ 4 02 ny 7 ¹ 4 97	1000	94 ¹ 2	9414 10014	44.	6.39 7.22	World Bank 5 ¹ 4 02	250000	103 ¹ 3	1034	J,	4.80	iroland 0 98 Rafy ½ 98		300 2000	99.68 100.14	99.81	4,880	00
to 7 ³ 2 03 Kontrollburk 8 ¹ 2 01	3000	943	945 1024	4	8.50 8.08	OTHER STRAIGHTS		4041.				UKB Beden-Wi Lloyds Bank P	uest Pin 🚣 🛭	A 1000	90 AE	99.55	5.500 4.562	25
Canada 74, 98 gal 54, 08	200	100%	100%	-	7.12	Gertinence Lux 9 ¹ , 89 IKB Deut Industrik 8 ¹ 2 (33 LFr 3000	100	105 ¹ 2 101		7. 6 6 8.49	MARSHAR (# OD		eso	99.29	84.26 99.61	5.412 5.937	75
ec Hydro 94, 95 ec Prov 9 98		83 ³ 4	84 105%	1. 1.	8.54 8.12	World Bank 8 98 LFr ABN Armo 65 00 FF	1000 1000	1001	100%		7.85	New Zastand - Ontario 0 99		2000	99.66 99.57	99,74 99,65	5,445 4,837	
ac Prov 9 98 bury 9 e 96	200 150	1024	103 ³ 4 103 ³ 8		8.02 7.38	Bank Ned Gemeesten ? AlberteProvince 10% 96	03 Fl 1690 C\$ 900	9414 1031 ₂	95 ¹ 2 103 ² 4		7.87 7.60	Renie 0 98 Societe Genera	lo 0 96	500 300	99,41 99,58	99.60 99.71	5.129 5.375	
bury 9 ¹ s 96 10 98 F 9 ¹ 2 98	200 150	104 ² 4 105 ¹ 2	105 ³ 2 105 ⁷ 3	4	8.61 7.72	Sell Canada 10% 99 Ca British Columbia 10 98	150	1044	105 ³ g 103 ³ g	+18	9.31 7.86	Staaksbank Ser State Bk Victor	\$n -0.05 98 D	M _ 8000	98.94 98.68	99.99	5200 5.112	00
RI- 00	1900	643	843 <u>.</u> 1024	·	7.92 7.31	28 10 ¹ 1 98 CS Elec de France 9 ² 1 99 (170	unel.	1057 1033	냼	8.07 8.98	Sweden 0 98 . Sweden -1 ₈ 01		1500 2000	99.83 98.54	99.92 98.74	5,000 4,825	200
Bk NSW 812 96 en 612 95 en Export 812 96	2500	984	102	ą.	6.72	Gen Bec Capital 10 96 KIW Int Fin 10 01 CS	CS 300	1024	103%		7.97	United Kingdon	n - 1 g 96	4000	99.78	99.84	5,000	
Elec Power 61 03	1000	8912	884	41	8.35	Nopon Tel Tel 1014 00	C\$ 200	1047	1057	+16	9.36 9.05	COMMERCIAL	BONDS	_				
Metropolis 84, 98	1500	9412	102 ¹ ,	1	7.22 7.51	Ontario 8 05 C\$ Ontario Hydro 1079 99 (91 ¹ 4 198 ¹ 9	92 1065	يد	9.68 9.10				one. rice j	Bul Offer	Press.	
i Kingdom 74, 02 Bank 6½ 99		94 % 102%	95 ¹ 8 103 ¹ 8	+4	8.13 7.81	Cushec Prov 10 ¹ 2 98 C	 134	100.5	105 ¹ a 104%		9.02 9.12	Browning Fests	64,05	400 \$		4 824	+61.88	8
Bank 84, 97		1035	1034	416	7.16	Belgitam 9 ¹ a 96 Ecu Council Europe 9 01 Ec	1250	102 ¹ 4	102 ¹ 2 101 ⁵ 2	ولد	7,30 8,78	Chubb Capital (Gold Kalgoode	712 00	65 1.05	86 100 54 110	ት 101ት ት 1124	+23.63	
SCHE MARK STRA		-	me)			Credit Lyonnels 9 96 Ec	u 125	1013	10214	7	7.68	Hanson 91 ₂ 08 Hanson America	1,239 M	1000	75 103 72	104	+18.02	
E 812 34	2000	81 95%	81 ¹ 4	4	8.23 7.94	Ferro del Stat 10 ¹ 2 98 E	cu 500	1042	104% 104%	,ie	7,80 8,43	Hong Kong Lan	1401 125	- 410 31.	05 8 0	814	-19.72	
erk 6½ 98	1500	97 ⁵ 8	97% 90%		6.90 7.96	Spain 9 96 Ecu	1000 1000	1074 1024	108 ¹ a 102 ¹ a	476	8.87 7.37	125 mg / 14 (25 S		SD &	84 1	1 8212	+6.00	
he 8k Fin 7½ 03	2000	97 ³ 9	97's 96's	44	7,99	United Kingdom Pig 01 ADC 10 99 AS	Ecu 2750	102 ¹ 4	102 ¹ 2 100 ¹ 4	1.	2.63	Mitsut Bank 24 Mount lea Fin 6	¹ 2 97	<u> </u>	63 101	4 1027	+13.24 49.16	
<u>د ســـــ</u>	1500	844	95 ¹ e	÷	7.45	Comm Bk Australia 134	59 A\$ 100	1124	11212	4	10.04 10.44	Nati Power 64 Ogden 6 02	OB &	_ 250 4	33 118	110	44.83 452.40	3
47½00 498	9000	99% 100	100 1004	4	7.56 7.23	EB 74 99 AS	A\$ 1000	93 ¹ 4, 77 ₈	8/4 84/4	44	9.61 10.24	Penneoi 4% (1) Sumborno Bank		COO ED OO	-	901	+15.30	
aden Wheelt 612 08	2290	88 ¹ 2 88	865 ₁	4	8.16 6.77	R & 1 Barts 74, 03 A\$ _ State 5k NSW 8 02 A\$	125	83 j	814 914	4	10.72	SUR ARRIVA 74	OR 2	144 4	1.9 96		+20.67 +14.39	
w AL AR		-	20.5		and t							Tesco Capital 9	OS E	_ 200 2	51 113			_
64 98 10 64 04 74 03	1500	88 ² 4	55 ⁷ s	ᅶ	6.02	3th Aust Govt Fin 9 02 / United Australia 12 98 /	9 150	80,5	91 1055∎	-3	19.84 19.11	Texas instrumer No information Conty one ma	わっしんり	200 00	2 ~		+7.05	

عكدامن الأحبل



JPMorgan

GrandMet taps new market for \$500m

By Richard Lapper

Grand Metropolitan, the food and drinks group, is to raise \$500m (£316m) in the United States through an issue of pernetual fixed rate preferred securities, a financial instrument similar to preferred

The issue, one of the biggest in the US preferred market this year, is part of the group's efforts to reduce its short-term debt and diversify funding sources. It follows a \$1.2bn zero coupon bond and a \$600m Eurobond issue earlier this

Part of the attraction is the tax advantages linked to the way the deal has been structured. A new subsidiary set up as a limited partnership in the state of Delaware, will issue the securities and then lend the proceeds back to the UK

The coupons on the intercompany loan will be tax deductible. Delaware company and companies for reporting

"We have developed a structure which provides the economic equivalent of a parent issue of preferred stock at an attractive cost," explained Mr Nick Rose, group treasurer of GrandMet. "It will further lengthen the maturity profile of our funding and will improve gearing and interest

Mr Calum Osborne, executive director, capital markets, at Goldman Sachs, co-lead manager of the issue and bookrunner, said the deal could be a model for other companies seeking to raise capital in the

Although the new securities will be classified as "minority interests" and give the com-pany a similar degree of flexi-bility as an equity issue, funding costs will be lower than an issue of preference shares and only slightly more expensive -

law allows businesses to be 40 basis points more according classed as nartnerships for tax to Mr Rose - than an issue of

> UK and other European companies have ventured into the US preferred market over the last five years, but this is the first time a UK group has issued preferred securities.

"Preferred securities are low cost, non-voting securities, [and] represent an attractive and important source of nondilutive, quasi equity capital, which to date have been unavailable to UK corporation," said Goldman Sachs, GrandMet also hopes to widen its investor base in the

US, arguing that the paper

should prove attractive to

retail investors. "It is an important development in the evolution of UK and other foreign issuers to access the fixed rate preference share market", said Mr Bruce Macfarlane, a managing director at Merrill Lynch, the other

Acquisitions help Danka advance 58% to £21.1m

By Richard Wolffe

Danka Business Systems yesterday announced a 58 per cent rise in interim pre-tax profits as the office equipment supplier continued its expansion across the US.

The company, which is quoted in the UK but operates mainly in the US, reported pre-tax profits of £21.1m (£13.3m) on turnover up 67 per cent to £236m (£141.1m) in the six months to September 30.

The sales increase was underpinned by 17 acquisitions costing \$21m (£13m) in the first half, and organic revenue growth of 14 per cent. Mr. Mark Vaughan-Lee,

chairman, said Danka now held a 2.5 per cent market share in both the US and the UK, with the latter expected to double in the short-term. This year the company aims to establish operations in continental Europe and expects a 5 per cent market share within five years.

"If you are operating in Houston or London, the copier industry worldwide is absolutely standard. We feel our

any area." he said. Overall profit margins were maintained as the company passed on manufacturers' price increases of about 5 per cent. Margins on which stand at

roughly 50 per cent. Supplies and maintenance accounts for almost half of turnover and the company claims revenue of \$1,200 a month from the latest generation of colour copiers, comwith \$80 from pared black-and-white copiers. Customers typically sign a oneyear maintenance contract, which can be cancelled after three months' notice.

Net interest costs rose 46 per cent to £1.83m (£1.25m). Long-term bank loans rose 42 per cent to £62.5m (£44.2m) at September 30, when gearing stood at 134 per cent.

with which it acquired Huby

Estates, a property investment concern in the north of

England, and Zincshire, a pri-

vately owned property invest-

ment company with properties

The latest buy will increase

retail warehousing as a propor-

tion of Olive's portfolio from 3

per cent to 14 per cent. Net portfolio worth after the acqui-

Olives recently reported pre-

tax profits of £224,404 on turn-over of £753,558 for the six

months to June 30. Net assets

increased from £5.51m to

£15.5m, principally because of

announced it had appointed Mr

Geoffrey Lawson to its board

as a non-executive director. Mr

Olives

sition will be £25m.

the rights issue.

Meanwhile.

in Swindon and west London.

7.5p (5.5p) and the interim dividend is 0.9p (0.75p).

The company announced the acquisition of formula can be carried into American Business Equipment, an Ohio distributor of Sharp equipment, for \$7.6m satisfied by 1.62m shares. American reported pre-tax profits of \$1m on turnover of \$16m last year.

• COMMENT

Danka has a consistent track record of boosting profits and turnover through acquisitions in the fragmented US market. While the European photocopier market is just as fragmented, few US companies have achieved growth on the continent through acquisitions. Analysts forecast pre-tax profits ranging from £41m to the house broker's £45m this year, but these could fluctuate according to the strength of the dollar. The upper figure gives a p/e of 19, which is high considering the risks of the

Samax seeks £16m in issue

COMPANY NEWS: UK

By Kenneth Gooding, Mining Correspondent

Samax, which is developing a graphite mine in Tanzania and a gold mine in Chana, hopes to raise about £16m this month with an issue and placing of new shares, which will be floated on the London Stock Exchange.

and placing

The company was set up in 1989 by Mr Michael Martineau, its managing director, and Mr John Park, operations and finance director, who each have more than 25 years experience in the minerals business, partly with British Petroleum and more recently with Cluff Resources.

Samax's activities so far have been financed primarily by the Addax & Oryx Group, described in the pathfinder prospectus yesterday as a private, Europe-based group involved in trading and related operations in Africa. Addax will remain a substantial shareholder after the placing by stockbrokers Credit

Lyonnais Laing. Mr Martineau said: "The flotation will give Samax access to capital and a higher profile. Exploration is the excitement for our fature; our portfolio is already valuable and a higher profile will increase the number of projects offered to us."

The prospectus says that both the graphite mine, at Merelani, some 14km south west of Kilimanjaro airport in Tanzania, and the gold mine, at Prestea in south west Ghana, are scheduled to begin commercial production in the first half of 1995.

The pre-tax net present value of the group's interest in these mines is calculated by independent consultants to be about £33m.

Samax also has interests in mineral exploration projects in Tanzania, Ghana, Congo and Senegal. Mr Martineau said these projects were typically in areas where there was previous evidence of gold mining and where there was potential for economically recoverable reserves. Not enough work has been done on these projects for any value to be ascribed to them.

Heron's creditors stifle a yawn

Christopher Price finds financial interests have overcome apathy

B oredom has been among the biggest problems and also because several bankers belonged to both sets of creditor groups. financiers trying to stitch together the offer for Heron. which was published yesterday after five months of careful

regotiations. "Heron has been through so many crises, restructurings and meetings over the past three years that everyone involved is frankly bored to death with it." said one banker close to the negotiations. "They just want the situa-

tion over with " Not that any apathy over the proceedings interfered too greatly with the various parties' financial interests. Heron creditors are split into two basic groups. First, there are those who were the subject of yesterday's offer from HNV Acquisition - namely creditor banks, numbering around 30, several thousand bondholders and other shareholders of

a total of £374m. The second group comprises creditors of Heron's subsid-£220m. HNV's bankers have secured the agreement of this group to the Heron restructuring, provided the main Heron creditors accept the offer on the table.

Heron Group. These are owed

This group is divided into UK and Spanish property interests. There are about 35 creditors to the UK side, owed in the region of £120m. The 18 creditors to the Spanish inter-

ests are owed the balance. The UK creditors to the subsidiaries were the easier of the two to bring on board, according to sources close to the negotiations - partly because their loans are secured on a strong portfolio of properties,

creditor groups.

The offer document puts pro forma net assets for the UK business at £202m. However. the net asset figure for the Spanish side only reaches positive territory after an agreed injection of some £17m from HNV on completion of the

Negotiations on this part of the deal were politely described as "strenuous" by one of the bankers present: The Spanish were worried that they might lose money on this. There was some tough

That done, the deal must now be sold to the bankers, bondholders and shareholders of the parent company, some of whom face a second dilution of their investments in just over a year. Under a £1.3bn refinancing agreed in September 1993 the banks and bondholders had their debt converted into senior and junior debt. The senior bank debt is about £120m. while the senior bond debt amounts to £180m. There is also some £74m of junior

HNV is offering £450 in cash or 300 HNV shares for every £1,000 of senior bonds, £60 or 40 shares for every £1,000 of junior bonds and £7.50 or five shares for every 1,000 common

HNV says it is "optimistic" partly because the banks concerned have been aware for some months of the terms proposed. A steering committee of the frontline lenders has been authorising Heron's banking

It has also had access to the main details of the offer since the first document was pub-

Plight of the Heron

- August 1991: Gerald Ronson, founder; jalled for six months and fined £5m for his part in the Guinness fraud trial.
- Cotober 1991: Bonds, which Heron issued extensively, reach trading lows in Zurich. → January 1992: Ronson admits losing some
- \$200m on US property market in past four ● March 1992: Debts reach £1.4bn on net.
- assets of £585m. Heron asks banks and bondholders for all debts to be
- April 1992: Results to March 30 show first loss - of £100m - in the company's 28 vear history.
- April 1993: Lord Boardman becomes executive.
- May 1993: Ronson agrees £4m five-year
- salary package with Heron. September 1993: Debt rescheduling
- agreed. Ronson's ownership diluted from 100 to 5 per cent. April 1994: Heron defaults on payments to
- May 1994; Bondholders demand payr uring plan talls; Heron put up for
- September 1994: HNVA, run by Steven Green, makes formal offer. November 1994: Detailed offer published.



, chief executive

Looking to

and of the

DO YOU WANT TO KILL

James Burton

lished five weeks ago. The attitude of the bondholders is less predictable. It was their decision last Aprilinsisting that Heron make a payment previously defaulted on - that precipitated the failure of the refmancing and the

company being put up for sale.
"We will definitely be analysing this document and letting bondholders know exactly what they are getting out of this offer," said Mr Gary Klesch, managing director of Klesch & Co, an investment

"It still doesn't look very

attractive to us. However, there are signs here too of weary investors wanting it all to come to some sort of conclusion. "Heron has been leaking so much money in fees while all this has been going on I'll be glad to get any-thing out of it," said one bondholder yesterday.

Privately both Heron and HNV are hoping, in the absence of more positive approval, that the apathy factor will play an important part

Rise and fall of a colourful empire

Mr Gerald Ronson built up the Heron empire from the 1960s, first through a move into petrol retailing and then into the UK property market in the 1970s. A colourful character, he was renowned for his charitable causes. He moved into the US property and financial services businesses a decade later and it was the decline in that market in the late 1980s which started Heron's problems, writes

Christopher Price.
Heron moved into the booming Ameri-

can thrift business - the equivalent of British building societies - by buying Pima in the early 1980s. By 1984 Pima was claimed to be the fastest-growing financial institution in its home state of

But from being potentially one of the group's biggest earners. Pima became a huge drag on its finances. By 1989 the thrift industry had over-extended and collapsed as ambitious borrowers got into difficulties. Pima began to cost Heron

which Guinness paid much of the £5.8m for Heron's support in the Distillers bid. Heron returned the money.

As debts mounted, Mr Ronson was

forced to sell assets, a protracted affair given the size and variety of his empire. The disposals included petrol stations, video distribution, leisure interests and car distribution. This culminated with the sale of the Heron Motor Group for £16m, leaving just the property company.

£5.2m purchase for **Olives Property**

By James Whittington

its restructuring with a further acquisition and a rights issue. The company yesterday announced it had agreed to buy a portfolio of properties from Burford Holdings for £5.2m. of which £4.2m will be paid in cash and the rest in

The five retail warehouse and retail properties in the north west of England, which are all let, produce a total rental income of £471,650 a year, representing a net initial yield of 8.8 per cent. Total rental income, before the acouisition, was running at £1.86m a year, said Mr Tony Grant, Olive's chairman and joint chief executive.

In May, the company com-pleted a £10.3m rights issue Lawson has extensive experi-ence in the property sector.

C&W confirms £40m purchase of BT Marine

expansion strategy.

By Alan Cane

UK-based telecommunications company, confirmed yesterday that it is buying the offshore cable-laying division of British Telecom, one of its biggest

competitors. C&W (Marine) will pay about £40m for BT (Marine). BT will remain a ship owner in the Atlantic Cable Mainte-

BT (Marine) operates six ships and employs 450 people with a turnover of some £68m. C&W (Marine) has 740 staff and a turnover of around £80m. Its fleet of nine includes the world's largest cable laying vessel, the Cable Venture. BT is disposing of non-core

activities in order to concen-

trate on global telecommunica-tions services.

raising and US quote By James Whittington

Mid-States, the US motor parts distributor quoted on the USM, centres and retail stores ahead with a delayed issue of some \$15m (£9.4m) in new ordinary shares in the US along with the implementation of an American Depositary Receipt programme. It also plans to list on Nasdaq to expand its US

shareholder base. Shares in the company, which operates through its subsidiary Mid-State Automotive Distributors of Nashville, Tennessee, rose 3p to 78p yes-

terday. Mr Paul Dumond, company cretary, said the move to a US listing was because of "a general lack of interest from London investors in small US businesses". The company might also seek a full quote in

The funds raised from the US

bank debts of \$23m and to help the acquisition of distribution two businesses in Mississippl for \$2.8m in April.

Mid-States also reported a 21 per cent fall in pre-tax profits for the third quarter to September 30, from £2m to £1.6m. £230,000 of which was attributed to the losses in acquired businesses. Turnover increased by 28 per cent to £21.8m (£17.1m).

In the nine months turnover improved 22 per cent to £58.7m (£48m) while pre-tax profits rose by just 5 per cent to

£4.85m (£4.61m). Earnings per share dropped to 2.7p (3.7p) in the quarter and to 7.4p (8.2p) for the nine months after an increased tax charge. There has been no dividend so far this year - a total of 0.75p was paid in 1993.

Mid-States plans fund | FT Managed **Funds Service**

From today, the Financial Times will no longer be publishing the cancellation price on unit trusts - the minimum redemption price. This follows changes announced by the ies and Inve Board in September, designed to liberalise the industry's pricing structure.

Trusts no longer have to publish cancellation prices, though these will still be available from fund managers, and from today are allowed to Impose exit charges.

In place of the cancellation price, the FT will be publishing notes advising on exit and other fund charges.

Calluna at premium

Shares in Calluna, disk drive manufacturer, showed a 42 per cent premium to the flotation price of 65p when they closed at 92p on the USM yesterday the first day of trading.

DIVIDENDS ANNOUNCED Danka Business ... Edinburgh Inca Dec 21 Dec 22 Lowland Inv Cofin

Dividends shown pence per share net except where otherwise stated. †On increased capital. §USM stock. \Rightarrow Maiden dividend.

NEWS IN BRIEF

RECRUIT, the employment agency owned by Mr Tony Berry, former chairman of Blue Arrow, has acquired Euro Professionals for £650,000, Euro Professionals and Recruit's recent acquisition, the Mary McCoombe agency, have a combined turnover of £4.25m. SAFELAND has acquired 75 per cent of Sallmann Harman Healy, a commercial property auctioneer, for up to £495,000, including £247,500 which will

become payable if SHH shares are sold in next year. SEDGWICK GROUP's whollyowned French credit insurance broking company, Cabinet Billet, is to acquire Cabinet

Dragon, a specialist credit insurance broker based in Aixen-Provence.

SINDALL (WILLIAM) shareholders approved acquisition of Morgan Lovell and change of company's name to Morgan Sindall. Also, of the 4.41m new ordinary shares subject to the placing and open offer, 2.36m (53.6 per cent) were taken up. Valid applications were received in respect of 506,336

shares, or 19.9 per cent. WORLD OF LEATHER: Of the 4.02m shares available in its recent 1-for-2 rights issue, 2.4m were pre-placed and 1.17m taken up representing 89.3 per



Nomura Bank International plc

U.S.\$1,000,000,000 Note Programme Arrangers

Nomura International plc

NOMURA BANK (Deutschland) GmbH Programme Dealers Nomura Bank International plc Nomura International plc

We are pleased to announce that we have been awarded the following long term rating

NOMURA BANK (Deutschland) GmbH

Standard & Poor's

AA-

Nomura Bank International plc 1 St Martin's-le-Grand London EC1A 4NP Tel: 071-929 2366 Fax: 071-626 0851

HICKSON

ult an independent figure at adviser authorised under the Financial Services

7 per cent. Convertible Capital Bonds 2004

tibe Bonds*) guaranteed on a subordinated hass by HICKSON INTERNATIONAL PLC Exchangeable Redeemable Preference Share

NOTICE OF REQUIRED CONVERSION AND REDEMPTION tice is hereby given to holders of the Bonds (the "Bondholders") that pursuant to Combined 9(C) of the Bonds the Issuer has determined to consent all of the Bonds into Preference Shares (in accordance with Condition filter of the Bonds). Early outstanding universeried Bond will be conserted on 31 a December, 1994

Bonds converted on the Required Convertion Date. Payments of principal and accrued interest will be made, in accordance with the Terms and Conditions of the Bonds, against surrender of the Bonds at the specialist uffice of any of the Pasting and Conversion Agents Issued below. Each Bond should be presented for conversion together with all immatured Composis appertuning thereto, fading which the amount of any such attesting aumatured Composis will surrender of the relative missing Coupon at any lints prior to the expiry of 6 years from the due date for payment of such Coupon. Unconverted Bonds will become sold unless presented for payment within the period of 12 years from the Required

PRINCIPAL PAYING AND CONVERSION AGENT Union Bank of Switzerland, Balinhofstrasse 45, CH-x021 Zurich

PAYING AND CONVERSION AGENTS Union Bank of Switzerland, Union de Banques Suisse, (Luxembourg) S.A. 122 Leadenhall Street. 45-38 GrandRuc Lunden, EC W 4()).

HICKSON CAPITAL LIMITED d in Jersey under the Companies (Jersey) Laws (Sot to 1968) 640,000,000

cash omstanding unconverse using with exconverses of 3 december, 1993 to the Required Conversion Date 1 into one Preference Share Interest with be past on the Bonds on respect of the period front and incloding 30th lune, 1993 to but excluding the Required Convers on Date and will cope to accuse or any oni-linduity unconverted Bonds on the Required Conversion Date. The Preference States will be redeemed on the Required Conversion Date at their Pant-Up Value of 100p each. Supplemental Interest of 31 95p will be pand in respect of each and of the Bonds conversed on the Required Conversion Date.

L-2011 Livembourg By Hickson Capital Limites

FT International Trade Finance is the essential newsletter for the executive who needs to stay abreast of the opportunities and threats that characterise the finance of international trade. Published by Financial Times Newsletters, it provides both timely reporting and authoritative analysis of the key developments in

Essential regular reading for Major Exporters

FT International Trade Finance provides you with impartial

news and analysis of the latest in- Export Finance developments · Credit Insurance schemes

Project Finance packages

Aid and Development funding



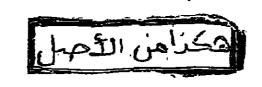
Countertrade

· Forfaiting

International Trade Finance

International Trade Finance enquires

PO Box 3661, London SV/12 8PH, UK Fax +44 (0) 181-673 1336 Alternatively you may telephone our enquiry line on Tel ±44 (0) 181-873 6666, stating your interest in International Trade Finance



COMPANY NEWS: UK

Inspirations to launch own airline next spring

By Michael Skaplnker, Leisure Industries Correspondent

NO EMBER 16

empire

Carrier No. 11.

Service of Tarke

बारक प्रस्त तु चारक दे

Zine ; व सम्बद्धाः व वर्षाः

orient comp.

. . - - -

. . . .

Inspirations, the tour operator which floated on the Unlisted Securities Market last December, is to launch its own airline

The airline, to be called International Airways, will be run by Mr Eamonn Mullaney, former managing director of Caledonian Airways, British Airways' charter airline.

International Airways is to lease three new Airbus A320 aircraft, to be delivered in April 1995.

Mr Vic Fatah, Inspirations' chief executive, said the launch of the airline posed no threat to the company's future. He said other airlines which had run into trouble, such as Laker Airways, Air Europe and Dan-Air, had done so because

of problems with scheduled services International Airways will

operate only in the charter market. Mr Fatah said Inspirations

had decided to launch the airline because the price of chartering other companies' aircraft had risen in recent months. He did not think the increases were a temporary phenomenon.

The company said the three alreraft would accommodate nearly all Inspirations' winter

Mr Mullaney said, however, that the aircraft would give Inspirations slightly more capacity than it needed for its own summer customers.

The reason for the disparity was that winter flying involved using the aircraft to reach long-haul destinations such as India. Summer flights were to destinations such as Palma in Majorca, which is near enough for one aircraft to make the same journey several times in

The company would have no difficulty selling the excess summer seats to other tour operators, said Mr Mullanev.

The new airline would not be dependent on rival tour operators to fill excess capacity on its winter flights as all seats could, if necessary, be taken up by Inspirations' customers. Mr Fatah said that Inspira-

tions was on target to fulfil

its flotation undertaking that

it would acquire or start up 50 travel agency outlets in its first year. He said the company had 47 retail outlets so far, which were being run by the travel

agency chain AT Mays.

Looking forward to the end of the price war

James Buxton on The Herald's postponed float

hockwaves from the newspaper price war have extended far beyond Fleet Street. For The Herald, the Glasgow-based morning paper, the resultant loss of sales has helped postpone its stock exchange flotation, which was expected to take place in mid-1995.

Caledonian Publishing, the paper's owner, badly wants to escape the treadmill of heavy interest payments on the debt taken on when management bought the business from Lonrho in May 1992. Lonrho sold George Outram, as it was then called, for £74m in a deal organised by the merchant bank Robert Fleming, the lead investor.

The company had to raise a further £20m for working capital and to buy the newspaper presses, which had been

Though costly, the MBO was a cause for celebration in Scotland. A new Scottish company had been born and The Herald had escaped the clutches of an owner which did little to strengthen the business. But the past two and a half years have not been as successful as the buy-out team - led by Mr Liam Kane, chief executive -

had hoped. The Herald, founded in 1783. is one of Scotland's two quality dailies, mainly serving Glasid the west of Scot It is more cheerful and broad-minded than The Scotsman, whose heartland is around its Edinburgh base and whose circulation is more than

80,000 compared with The Herald's current 111,000. Caledonian Publishing also owns the Evening Times, the Glasgow evening paper, and a number of magazines, includ-

ing the Scottish Farmer. Its turnover last year was £59m. After the buy-out Mr Kane, a former News International executive, embarked on strengthening the two newspa-

pers and reducing their operat-The company invested £2m in on-screen page make-up and in introducing new sections to The Herald, devoted to business, homes and gardens, jobs, property and sport.



Liam Kane: still uncompetitive despite cost cutting

The Evening Times launched a weekend newspaper.

A series of cut-backs in the advertising, circulation and production departments have reduced staff numbers in the group from 1,045 at the time of the MBO, incurring exceptional costs of £11m. By the end of this year the headcount will have fallen to 813.

Yet The Herald's circulation has never regained the peak of 125,000 reached in February 1992. The newspaper dropped "Glasgow" from its title but any benefit to sales was cancalled out by economic gloom. Average circulation in the year to September 1993 was 115,000

Despite expensive TV advertising, The Herald has not made as much progress as it had hoped outside Strathclyde region, where sales now stand

at about 30,000. Economic recovery is under way now but it is led by manufacturing rather than consump-

tion," said Mr Kane. Caledonian Publishing's operating profit fell from £10m in 1992-93 to £8m in 1993-94, with a drop in operating mar-

gin from 17 to 14 per cent. In July Mr Kane told staff: "Despite a lot of work in reducing costs, we are still hugely uncompetitive compared with the newspaper groups we face in the daily battle for readers and advertisers."

He launched a further programme of cost cutting and redundancies, this time biting

into The Herald's editorial department, and trimmed a

staff pay rise. Caledonian Publishing also had to go back to its banking syndicate, led by the Royal Bank of Scotland, to borrow a further £5m. Although it has repaid £5.5m of the £43m it took on in 1992, it faced having to defer repayment of £2m because of its inadequate profit performance, and took on another £3m to cover further redundancies and other costs.

That means interest pay ments, which had declined from £6m in 1992-93 to £5.3m in 1993-94, will rise to about £5.6m this year.

The price war has only aggravated matters. Mr Kane says the cut in the price of The Times last year to 30p did not make much difference to The Herald; but this June the Daily Telegraph cut its price from 50p to 30p, followed by a further price cut by The Times

and a cut by The Independent. Though the bulk of the circulation of The Herald is protected because most of its readers buy it for its Scottish coverage, the price war reduced the paper's sales by 2 per cent this summer. A cut in the The Herald's cover price

was out of the question. However, the largest single effect of the price war, says Mr Ron MacDonald, Caledonian has been to reduce the price/ earnings ratios of newspapers on the stock exchange. "Until there is a change of sentiment regarding national newspapers as well as regionals, then the

Caledonian float can wait," he It is projecting pre-tax profits of £5.8m for the current year and Mr Rane says there has recently been some improvement in advertising. A float next year, he says, is "still a

possibility". A flotation would have other benefits for The Herald, "I'm still waiting for them to deliver the product I know they are capable of, but don't seem to have the finance to achieve, says Ms Christine Tulloch, media director of Faulds Advertising, one of Scotland's leading agencies.

Biocompatibles | Third promising treatment makes company one of best in sector British Biotech new cancer drug

considers offer

Biocompatibles International.

the research company aiming

to raise £40m from its immi-

nent flotation, was yesterday

said to be discussing a possible

The loss-making company.

which has developed a new

type of contact lens, was

expected shortly to announce

the origing for its shares as

part of a placing and interme-

Directors of the company,

however, have recently been

considering proposals for a

joint venture, merger or sale.

The bid is thought to have emerged only after the publi-

cation last month of its path-

That showed that Biocompa-

tibles, which describes itself as

a manufacturer of medical

devices rather than a biotech-

nology business, had accumu-

end of June, and warned that

investment in the company

involved a higher than normal

Robert Fleming, sponsors to

the issue, said impact day had not been delayed, adding that

"there had never been a fixed

If the flotation goes ahead

Of the £40m which is being

raised, £25m will be placed

firm, with the balance avail-

able to meet retail demand

Panther makes

In its first results since taking

over Etonbrook Properties in

July, Panther Securities, the

property company headed by

Mr Andrew Perloff, reported

pre-tax profits of £1.13m for

the six months to June 30

against £707,354 for the year

The result included a

£920,000 profit on the disposal

Panther now has 85 per cent

of Etonbrook, Mr Perloff said

that although the acquisition

had brought £2.5m in cash and

£2.2m of uncharged properties

before the minority interest, the benefits would not be

annarent until the second

Turnover amounted to

£3.47m (£3.28m for 12

were 49.3p (33.8p) and an

interim dividend of 1.1p is

declared. A 1.6p final is antici-

of shares in Cementone, for-

through intermediaries.

£1.13m for

six months

to December 31.

merly Multitrust.

the group is expected to have a

market value of about £80m.

timetable for the pricing".

losses of £9.77m at the

despite

imminent

flotation

By Tim Burt

takeover offer.

diaries offer.

finder prospectus.

degree of risk.

The first clinical trials of a new cancer treatment from British Biotech, revealed yesterday, showed that the drug has no significant side effects and triggers a potentially useful reaction in volunteers. The drug, code-named BB-10010, is the third of British Biotech's cancer drugs to

Batimastat, has made the company one of the best share-price performers this year

show promise in trials. The success so far of the others, led by in the UK and US biotechnology sectors.

Yesterday, the shares rose 18p to 598p, giving a market value of almost £300m. making it the tenth biggest in the UK and US sectors combined.

BB-10010 was tested on 36 healthy volunteers. As well as demonstrating its safety, tests on the volunteers showed that the number of white blood cells in the blood increased, as predicted in animal trials. Quantitative measurements of this effect

will be made at the next stage of trials. The drug has two potential uses: to protect the bone marrow from damage during chemotherapy and to mobilise white blood

cells so that they can be "harvested" from the blood before chemotherapy and reinjected afterwards. Currently, patients have bone marrow itself removed before chemotherapy and replaced afterwards, an awkward and painful treatment.

 Tepnel Life Sciences, the blotechnology company, has signed a marketing deal for its Daras technology, a product for screening DNA patterns in infectious diseases. Peers, the New York-based subsidiary of the Long-Term Credit Bank of Japan, will seek suitable licensing or joint venture partners for Tepnel in Japan.

Improving the survival index

Daniel Green and Tim Burt analyse biotech investment prospects

s the UK biotechnology sector now becoming respectable?

British Biotech has consolidated its position in the world's top handful of biotechnology companies by market value, and others, such as Celltech and Scotia, are making steady progress through clinical trials.

But investors have yet to be convinced.

British Biotech is alone among those joining the market in recent years to see its shares remain above the flotation price.

And the sister sector in the US continues to labour under the burden of poor sentiment. investor scepticism in the US has left companies there in serious financial difficulties. Accountants Ernst & Young say 50 per cent of the industry has sufficient capital only for the next two years.

In its latest biotechnology annual report, the firm has cut its survival index - the time until the cash runs out - for the median US company from 34 months to 25 months. Some 26 per cent of companies are scheduled to run out of cash within a year unless they can find new sources of finance.

This is happening at a time

when investor confidence in British Biotech the sector is at a low ebb. There has been a series of failures three in the last

two weeks alone - of drugs at the latest stages of clinical trials, when most of the uncertainties ought to have been eliminated. The consequence of failure is

usually a slide in the company's share price and an unforgiving mood among investors. most of whom have yet to warm to the sector. Without the confidence of City or Wall Street investors, biotech companies have turned for funding to drugs companies. Deals have been concluded, for instance, between Celltech and Merck. Proteus and American

and Bayer of Germany. The strategy is risky because pharmaceuticals companies try to buy control of a biotechnol-

Home Products, and Celitech

ogy company's products. Mr Bernard Taylor, chairman of the acquisitive drugs company Medeva, warns that biotech companies which seek support through alliances are 'selling their birthrights".

Nevertheless, Mr Louis da Gama, executive director of the BioIndustry Association, says that "mergers and acquisitions are likely to be the dominant Share price (pence) 600

aspect of the industry over the

Biotechnology company

executives recognise that stra-

drug trials is published. Little

effort is made to point out that

success at the early stages

Less than one third of drugs

that successfully complete

Phase I trials eventually

become products, according to

stockbroker Lehman Brothers.

egies to limit the damage:

next five years".

future earnings.

means little.

large scale trials do they show up their weaknesses. But these tactics risk lulling investors into thinking their company is doing better than it

"Some UK biotech companies are asking us to accept 'good news' without so much as even a scientific meeting abstract let alone a peer reviewed publication," complains Mr Ian Smith, an analyst with Lehman Brothers.

trials quickly because the more

advanced the clinical research.

the higher the price it fetches

in cash-raising negotiations.

Some borderline drugs that

might have been dropped by a

larger company make it through to the late stages of

testing. Only in the glare of

tegic alliances may cost a company dearly in terms of lost He says that UK biotech companies are not as vulnera-They follow two simple stratble to failure as many of their US rivals because they • Good news items about have broader development progress, however minor, in

portfolios. Nevertheless, the statistics imply that some of the UK biotech sector's drugs that now look promising will fail at some stage.

The sector may be approaching respectability, but it is in its nature to continue to deliver a few nasty surprises.

Northumbrian Foods continues recovery

By Joan Gray

Northumbrian Fine Foods, the USM-quoted cake and biscuit maker, continued its recovery with an increase in interim pre-tax profits from £104,000 to £355,000, and may return to the dividend list once a group reorganisation is completed.

The recovery was helped by a continuing improvement in ther growth in the distribution business and a five months' contribution from Jesse Oldfield, the cake maker NFF

bought for £2,56m in April.

Operating profit for the six months to September 30 was ahead at £586,000 (£288,000). with £221,000 (nil) from acquisitions. Turnover was up at £12.3m (£8.09m), with acquisitions contributing £3.76m (nil).

The company is reorganising its structure to increase effi ciency and reduce costs, said Mr Philip Wilbraham, chair-"to resume dividend payments when appropriate earnings and rearing levels allow".

Shares in GBE International,

5p to 33p, their lowest level of the year, following the announcement of losses for the first half of 1994 and the immediate departure of its finance director.

loss of £3.95m, against profits of £1.08m, followed a review of its order book, costs and manover fell by £3.3m to £15m. Mr Gerald Edwards, chair-

payment of 1.25p.

losses of £3.87m (profits £1.3m). Packaging profits improved from £6.000 to

Earnings were 0.58p (0.28p). NEWS DIGEST

Campbell & **Armstrong**

Campbell & Armstrong, the shop and office fitting group, cut pre-tax losses from £1.88m to £198,000 in the six months to

Turnover in the period rose by 8.6 per cent from £24.5m to £26.6m, Last year's figure, however, included £168,000 from discontinued operations. At the operating level there was a profit of £95,000, against a deficit of £912,000 last time.

tional items - last year the company booked an £815,000 loss on disposal of a subsidiary undertaking, less a release of closure provisions of £78,000 made in 1991. The net interest charge rose from £228,000 to

Losses per share came out at 1.4p (7.9p).

Bradford Property Trust has increased its offer for Harborne Tenants from 230p to 260p per share, valuing the property

elect to receive new BPT shares instead of all or part of the cash offer on the basis of

notes for every £1 cash entitlement. Other conditions, including the preference offer, are unchanged.

information relating to the recent revaluation of Harborne's properties.

ings per share were 0.3p. The company had previously stated that such a short trading period would not justify payment of an interim divi-

end was £6.26m. Two acquisitions made since then have increased net asset value by

Van Diemen's Land

of VDL's long-standing noncompliance with the rule that

following the delisting. The directors of VDL will then announce details of a rights issue to finance development of the Woolnorth farming

Pascoe's cuts loss

manufacturer, reported that the expected improvement in the six months to July 2 did not materialise. Mr Douglas Strachan, chairman, blamed "several unforeseen factors".

uring the business.

On turnover of £4.36m (£8.31m), including £25,000 (£4,12m) from discontinued activities, pre-tax losses were haived at £1.26m (£2.5m). The result was stuck after provisions of £609,000 (£1.13m) relat-

The company expects net assets to fall below half paid up nominal share capital and has arranged for a £400,000 convertible loan note to be issued to an existing share-

(34.21p) or 6.61p fully diluted.

The move comes as a result

and military regalia, for the

Spencer instead of the six at

£4.37m, against £5.8m including £893,635 from discontinued operations. Interest costs took less at £30,777 (£68,871). Losses per share were cut to 6.18p

associated companies. Weston Cap and Shipmate Flags. Tove has acquired the remaining assets and liabilities of both from the respective joint venture partners for a total of £32,000.

The company said its pre-tax

man and chief executive, said

for 1995. Although losses per share were 5.53p (earnings 1.37p) an

initial interim dividend of 0.5p is being paid and a final dividend of at least 1p is expected. Last year there was a single

The core process engineering

the company was now trading

write the issue of new shares worth £225,000.

Macro 4, the systems software group, has acquired 844,000 ordinary shares in the company for cancellation at a price of 430p.

The share repurchase programme is being undertaken to enhance earnings per share. The shares closed 11p up at

Caverdale buy

Caverdale Group is acquiring its first multiple-franchise motor retail site for £250,000 cash. The Lincoln site com-

The deal also includes an planning permission for a fourth franchise. The group will use this space initially for

The franchises will trade

Reduced pre-tax losses of £138,957 compared with £247,313 were reported by Toye & Company, the maker of civil

half year to June 30. The company also said that in order to cut costs it was simplifying its structure by concentrating all its business through one principal trading company, Toye, Kenning and

Pre-tax profits at Rackwood Mineral Holdings rose from £29,000 to £111,000 for the halfyear to June 30, helped by a £283,000 profit on the sale of its Old Leyland Green Remainder

had operating losses o £130,000, compared with profits of £250,000, on turnover down 44 per cent from £2.97m to

The opencast mining group

£1.67m. Earnings per share came out at 0.44p (0.18p), and there is no interim dividend.

FairBriar trims loss Pre-tax losses at FairBriar, the property management group, were down 3 per cent for the half-year to June 30, at £1.51m

compared with £1.55m. Turnover, at £6.19m, was 2 per cent down on £6.31m last time. The figure relates to sales of properties covered by the limited recourse arrangements. The profit from properties covered by these arrange-ments is not recognised in the profit and loss account, but are

used to reduce secured creditors' debt. Losses per share came out at

7.9p (8.14p). Lowland Investment

The net asset value per share of Lowland Investment Company was virtually unchanged over the 12 months to September 30 at 282.3p, against 282.4p a vear earlier.

Net revenue was also static at £2.21m (£2.22m). Earnings came out at 9.4p (9.45p) and the proposed final dividend of 6p (5.8p) makes 9.3p (9p) for the

The primary objective of the trust, which is managed by Henderson Touche Remnant, is to give shareholders a higher than average income return of both income and capital over the medium to long term.

Abtrust New Thai

Abtrust New Thai Investment Trust had a net asset value per share of 210.12p at August 31 vear-end. Fully diluted, the values

were 192.99p, 122.5p and 165.9p respectively. Net revenue for the six months amounted to £219.887 (£98,857) for earnings of 1.46p

& Data, the USM-traded marof £1.09m for the year to May loss for the 15 months to May 31 1993. The group returned to

the black at interim stage, with a pre-tax profit of £191,000. The £6m turnaround was partly the result of a substantial decrease in exceptional costs, which helped bring about an operating profit of £1.37m (£3.32m loss). ICD also made a £48,000 profit on disposal of The Database Group,

ous period. Earnings per share emerged

Edinburgh Inca

Edinburgh Inca Trust, the specialist Latin America trust launched in February by Edinburgh Fund Managers, had a

cent improvement over the period from commencement of trading on April 5, and compares with an 11.4 per cent rise in sterling terms of the benchmark IFCI Latin American

Net revenue for the period was £71,000, which represented in the main interest received on initial cash balances following the trust's launch. This level of revenue would not be repeated in the coming year, the directors said.

Earnings per share emerged

On 1. November 1994, National Westminster Bank Finance (C.I.) Limited

The company is part of the Courts & Co Group,

the private banking ann of

the National Westminster Bank group.

ATTIENS - BAHAMAS - BERMUTIA - CANNES - CATMAN - GENEVA - OUERNSEY

The adventures or named by Court is 15 a Courty and first beyon appeared for the proposes of Section 7 of the LIK.

Financial Sections for 1986 by National Westmaners Bank Ph., a Member of BART. Courts in this to a Member of BART. National of the courts appealable of Courts for Cart being four Courts in Courts and I account and I account an Anthonised Press adjust to the problem of angulation made make the URF Fronts all Section on the Art Polis for the processor of successor, and compression ander the Innone's Compensation and not be available.





DO YOU WANT TO KNOW A SECRET? The LO.S. Genn Seminar will show you how the markets REALLY work. The amezing trading techniques of the legendary W.D. Genn can increase your profits and contain your losses. How? Theirs the secret. Ping 061 474 0060 to book your FREE place.



le Business Centres Network s the attelligent solution to today's busin الرابين والأرواء والمساسعة

Brosents Tel: +32-2 536 8685, Fox: 32-2 534 8603 Lovesmone Tel: +47-21 641 1313, Fran: 47-21 641 1310 Liphon/Ports Tel: +351-1 355 7435. Fee: 351-1 355 7854

Milenty/Rome Tel: +39-2 481 94271, Fax: 39-2 480 13233 Marcon Tel: +70-95 157 7206, Fax: 70-95 157 74/2 New York Tel: +1-212 605 0200, Fax: 1-212 308 9834

Renie/Bardeoun/Lille/Lyat/Reven/ Rennes/Montpellier/Musikoase/Joulouse Tel.+33-7 40:219595, Fax. 33-67 897469 Visionso Tel: +43-1 534 39 866 For: 43-1 535 0367

cuts losses

The pre-tax outcome was helped by the absence of excep-

£293,000.

BPT/Harborne

140 new BPT shares for every £260 payable under the offer. They may also elect to receive £1 nominal of BPT loan

June 30. Net rents receivable amounted to £377,000 and corn-

Net asset value at the period-

The Van Diemen's Land Company, the Australian pastoral company, has applied to the London Stock Exchange to cancel the listing of its ordinary shares with effect from 8.30am

Pascoe's Group, the pet food

the results announcement.

holder, who will also under-Rackwood advances

Losses per share were 8.57p

prises Volvo and Citroen franchises, with room for a third. adjacent one acre site with

selling used cars. under the Godfrey Davis name.

Toye reduces loss

present. Turnover amounted to

Following a review of the

GBE shares down to 33p after fall into red

profitably but it would still be the engineering company, fell in loss at the year end. He added that he was optimistic

against 126.35p a year earlier and 179.08p at the February

(0.66p) per share.

ICD £1.09m ahead International Communication keting services and database group, reported pre-tax profits 31, compared with a £4.92m

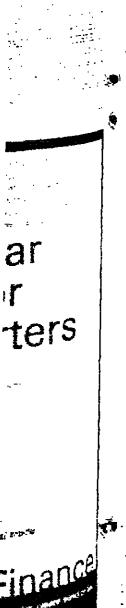
compared with a £993,378 goodwill write-off during the previ-

at 2.2p (6.2p losses).

net asset value per share of 56.55p at September 30. That represents a 18.6 per

Index.

at 0.0863p. In accordance with the rules governing investment trusts, the company is obliged to pay a dividend, and a 0.04p distribution is recommended.





will become Coutts & Co Financial Services (C.I.) Limited.

I KING KUNG - ISLE LE MAN - JERSEY - LUNDON - MIAMI - NEW YORK SINGAPORE - TOKYO - URLAWAY - ZURREII



ECU Futures pic Tel: +71 245 0088 Fac: +71 235 9589









The Hogue Tel: + 31-20 5207503. Fax: 31-70 5207510 Basie/George/Lacerne/Zug/Zurich Tel: +41-1 214 6262, Fax: 41-1 214 6519

investment company at £12.9m. Harborne shareholders may

The increased offer follows

Newport at £25,000 Newport Holdings, the property investment company which came to the market in March, had pre-tax profits of £25,000 in the three months to

He added that the results reflected the costs of restruct-The shares closed at 30p, a fall of 25 per cent since before

ing to property write-downs.

Macro 4

on November 14.

requires more than 25 per cent of the share capital to be in public hands. Tasman Agriculture, VDL's majority shareholder, is to make the minority shareholders a cash offer for their shares

PNG miner expects

COMMODITIES AND AGRICULTURE

LME ready for **US** warehouses to stock copper

By Kenneth Gooding, Mining Correspondent

The London Metal Exchange seems certain to plug a big gap in its international coverage early next year by allowing its warehouses in the US to stock

The US is the biggest consumer of copper in the world but it is also the second-largest producer. When the LME's first authorised warehouse was opened there in 1992 copper was excluded because, it was said, the LME did not feel the time was right to challenge the York Commodity Exchange's copper contract.

There was another reason: in the LME "ring" in sterling while Comex copper was traded in dollars and this gave occasional arbitrage opportunities to LME traders. However, subsequent turbulence in the currency markets caused a change of heart among most London-based traders, so the conner contract was switched

to dollars in July last year. It was obvious then that it would not be very long before the LME put copper into its US warehouses, particularly as its sent chairman. Mr Raj Bagri was determined to enhance the exchange's international status. "There can be Mr Bagri said yesterday at a

MARKET REPORT

Gold hits 9-week low

The GOLD price slumped to its lowest level in nine weeks vesterday as US investment funds' patience with the lacklustre market broke in a wave of sell-

ing, dealers said. An an unusually long London fixing session ended with the price at \$383.75 a troy ounce. It ended at \$384.50, still \$2.40 down from Friday's close.

COMMODITIES PRICES

BASE METALS

move to new premises in Leadenhall Street, in London's financial district, that the question of expanding the warehousing network was "at the top of the LME's agenda." He would not say more but traders suggested last night that the topic might be raised at this month's board meeting after which there would have to be a 90 day "consulting" period before the move to put copper into the US could be

The LME has spent £5m to refit its new premises, on which it has a 30-year lease, to produce a trading floor and auxiliary activities to suit its needs exactly. The traditional seats in the "ring" have been incorporated along with modern communications booths and small offices for members in an area twice as big as the LME's previous home in Plantation House, Fenchurch

Street, a short walk away. However, Mr David King, the chief executive, insisted that the LME had no present intention of changing its trading practices. For example, there were no plans to switch to all-day trading from the present methods - an inter-office telephone market and two open-outery floor sessions. This is little different from the system the exchange used 100

"It goes to show that these

ing you can do about it," one dealer commented. Commodity London Exchange COFFEE futures slipped on what traders called a bearish private forecast for Brazil's 1995-96 crop.

Precious Metals continued

Compiled from Reuters

funds can control this market

completely and there is noth-

N American wood-pulp prices raised again

US plans food aid for former Soviet bread basket

Several North American wood-pulp producers have announced their fifth price rise of the year to levels that are roughly double those at the bottom of the cycle in mid-1993. The producers plan to raise the price of northern bleached softwood kraft pulp, the industry's benchmark product, by US\$50 to \$750 a tonne on January 1. The increase if success-

ful, will bring prices to within

striking distance of the record

The US hopes to sign an

agreement to provide Ukraine, once the Soviet bread basket,

with \$20m in food aid as a

safety net in its transition to a

The world pulp market has been buoyed by a strong rise in paper consumption, especially in Europe and South-east Asia. and by fears of a strike at pulp and paper mills in British Columbia. Demand is so strong that many North American producers are unable to meet their customers' full requirements. World-wide producer stocks have fallen by almost half from the peak reached last

According to the Canadian

head of the US Department of

Agriculture's foreign agricul-

tural service, said in London

yesterday that the aim was to

avoid food shortages in the

cities as agricultural reforms

took effect. The agreement is

expected to be signed when

Mr August Schumacher, President Leonid Kuchma vis-

Canadian pulp mills operated at 96 per cent of capacity during the first nine months of this year, up from 85 per cent in 1993. Shipments of market pulp to western Europe climbed by 21 per cent, to Japan by 39 per cent and to the rest of Asia and Africa by 49

Analysts are divided on whether and for how long the price surge will continue. Mr Chip Dillon of Salomon Brothers in New York recently

its Washington at the end of

this month. "We're exploring

with Ukraine whether more

will be needed, and we're hop-

ing Europe will also be able to

help," said Mr Schumacher,

who spent last weekend in

He said the aid would be part

would peak at \$960 a tonne in 1997. Like many other market watchers, however, Mr Dillon predicts a correction in early 1995, reflecting the start-up of two large new mills in Indon-

climb in pulp prices last week led Kimberly-Clark, the Dallasbased papermaker, to cancel a plan to spin off its pulp mills in Ontario and Alabama into a new public company.

of the World Bank/Interna-

tional Monetary Fund stabilisa

tion programme for Ukraine. It

was vital that Ukraine, with

53m people, should have fertil-

iser and seeds for spring wheat

planting next year and foreign

machinery and spare parts.

exchange to buy harvesting

esia and a slowdown in the stocks build-up. The unexpectedly steep

Lihir gold lease soon By Nikkid Talt in Sydney

Niugini Mining, the Papua New Guinea-based company which is controlled by Canada's Battle Mountain Gold, said yesterday that it expected the crucial "special mining lease" which would allow the A\$1bnplus development of the Lihir gold mine to go ahead, to be issued before the end of the

The Lihir project, which is joint venture between Britain's RTZ and Niugini Mining and would become one of the world's largest gold mines outside of South Africa, has been clouded by uncertainly for the best part of a year as the PNG government has debated the project's structure, and tried to determine what stake local landowners should be given. A break-through came in August, when Mr Paias Wingti,

PNG's former prime minister, was replaced by Sir Julius Chan, who quickly indicated that priority would be given to resolving the situation. How-ever, Niugini Mining's statement yesterday - part of its quarterly operations report was the firmest indication of the timetable now expected. Niugini Mining said that the landowners' stake in the project would be met from the PNG government's share. which would be pegged at 30 per cent as originally planned. Landowners are expected to Marcial Holes

hare pric

5. 12 T

States on the second

#= W Te

FEIRD

AREA STREET, THE REPORT OF THE PARTY OF THE

海巴罗克·克·克·克·克·

: 57 4

200

>=: "

REAL ROOM OF THE

301. 355

:[14 C

ECTE FIRE IT ALEX

Entre Parket at the

E

IMSE Actuaries All-Share

SEA STATE

BINNSPOTEST

1.5

des .

STATE OF THE PARTY
AT CHATEDEL

respond to a government proposal concerning landowner equity in late-October," it said. Financing for the project is expected to comprise a mix of debt and equity - again, in line with the original scheme. Niugini Mining said work on the equity issue, halted earlier this year, had recommenced.

Coffee recovery falls short of bonanza for Colombia

Improved returns will allow farmers to repay loans and renew plantations, writes Sarita Kendall

igh coffee prices are bringing relief and recovery but it is too soon to talk about a bonanza, according to Colombian coffee

growers. Just as the National Coffee Fund will be able to pay off debts and move into the black, so too the farmers are planning to repay loans and renew plantations as they gather in the main harves

"Many of the farms here are in a poor state," says Mr Alberto Restrepo, director of the Risaralda coffee growers' committee. "But the small farmers, who make up 80 per cent of the producers in Risaralda, were not so badly affected by the crisis because they supply their own labour and grow their own food. Even so, the growers should be getting a bigger share of the international price so that production can recover quickly.

The support price paid to coffee growers in Colombia has been increasing steadily and

GRAINS AND OIL SEEDS

WHEAT LCE (2 per torete)

about US\$ 1.10 a pound. It is the most important of several instruments used by the government and the coffee grow-ers' federation, Federacafe, to control production and protect farmers from the ups and downs of the international market. If the support price is too generous it can start another cycle leading to over-

production Colombia's 1993-94 coffee harvest is estimated at 11.6m bags (60kg each), probably rising to 12.3m bags in 1994-95. Compared with the 1991-92 peak of more than 17m bags, these figures are low, largely because of the spread of broca disease, a low rate of plantation renewal and minimal use of fertiliser. About 50,000 hectares out of the total 1.1m devoted to coffee in Colombia have also been eradicated over the last two

However, some farmers have kept their plantations in good order. Lais Alberto Arcila, who

SOFTS

now stands at the equivalent of has 3.5 ha under coffee on steep hillsides in Risaralda, coordinates one of the Federacafe farmers' groups in his area and has been learning how to live with broca, applying insecticide and a fungus he himself

The broca insect enters the

coffee cherry about 100 days after flowering, in Colombia the plants flower so often that the producer has to pick the fruit constantly through the year to prevent broca infestation and this puts his costs up by about 8 per cent. Mr Arcila says that only 3 per cent of his coffee is affected by broca. Desnite Federacafe's intensive education efforts, many farmers are less careful and some 10 per cent of Risaralda's crop

"Now the price is better I'm working with more spirit. Last year I cleared one lot of coffee plants but I couldn't renew them because of the economic situation. With this harvest I can pay my debts and put

something back into the farm," says Mr Arcila. Although the previous two years were particularly lean ones for Colombia's 300,000 coffee producers, decades of investment in roads, electricity and social welfare programmes have given the coffee growing region a relatively high standard of living and low level of

Tow Federacafe is introducing "greener" methods using far less water for the de-pulping process and, instead of tipping the pulp on to valley slopes where it will contaminate streams. farmers are mixing it with other organic rubbish and worms to make rich humus.

"We're reforesting to protect the springs and watersheds. The only thing to do about the water problem is to educate, educate, educate," says Mr Res-

The spending cuts affected infrastructure projects but not

MEAT AND LIVESTOCK

■ LIVE CATTLE CME (40,000lbs; cents/lbs

grammes. The small grower here is technified and very recentive to new things like fish breeding ponds, rabbits, worms - everything."

Colombia's 1994 coffee income is forecast at over US\$1.7bn, compared with US\$ 1.2bn in 1993. Even the most conservative estimates suggest that next year's earnings will be above US\$2 bn, which means that US\$600m or more can be saved abroad for diffi-

Over the past five years Federacafe has slashed all budgets, nearly halved its staff and cut marketing costs. As a result the federation – which handles about half the country's exports on average - is now as efficient as the private exporting companies.

The special commission set

up to study Colombia's coffee sector recommended earlier this year that Federacafe should not play such a big part in exports. "The federation

thinks that it's not possible to divorce marketing from stability; the commission wants to keep the domestic support price system in place, so we need a cash flow to maintain stocks and so on," says Mr Diego Pizano at Federacafe.

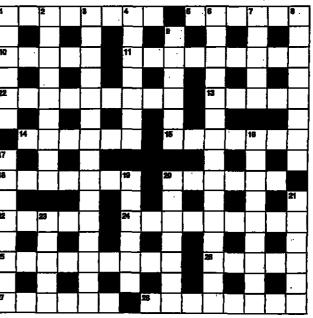
"Missions from other producer countries have been coming to see how the Colombian model works. By managing three variables – support pice, credit and technical assistance - we have control over the produc-

Production is well below the ideal level of 15m bags defined by the commission, but should reach this in 1998-97. With suppliers agreements covering over 13m bags and domestic consumption of about 1.5m bags, the 15m target is realistic, says Mr Pizano. But if prices drop again in two years' time and the revaluation of the peso continues, there could come a moment when Colombia's ability to compete will be

seriously undermined.

CROSSWORD

No.8,599 Set by HIGHLANDER



1 Not there after source of water is drunk (4.4)
5 Mark is becoming a fish out of

10 Reason for detailed record taking in court mitially (5) 11 Frightened to show quarter in a loose maul (9) 12 Settled second NEC amendment (9) 13 Indigenous African emperor

holds the key (5) 14 Hardly ever depend on artist 18 Central Europeans uttered

20 First application for school-book (6) 22 Award for particularly large vehicle (5)

24 The French intend to take the

German chap from Arctic Cir-cie (9) She looks after children pro-duced, one hears, by sister 21

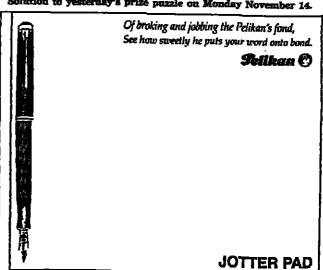
foundation (2.3) Oppose broade that's on the way (6) Textile workers provide some DOWN 1 Perhaps Raleigh diversify (6) 2 Part of journey is delayed by pass laws (9) Locates new living areas near to each other (2,5,8) Expert in any form of general disorder (7)

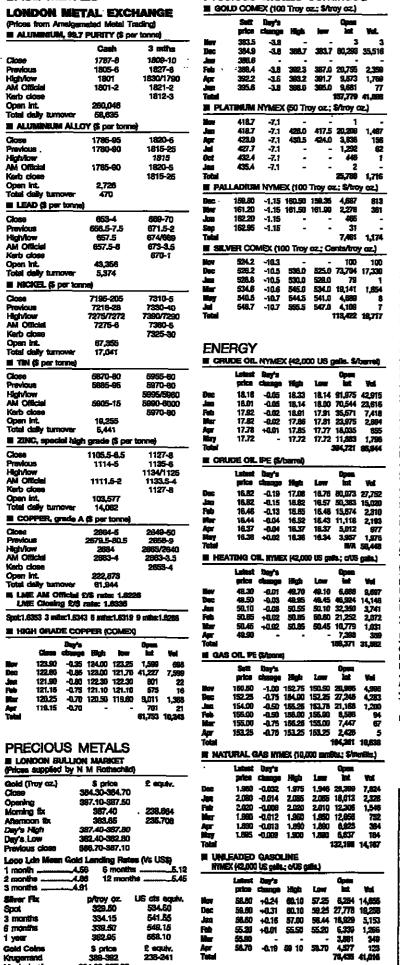
Escalation in numbers pro vided one action is misrepre-7 Virus gets on top of half Ring cast (5) 8 Assume control of profits on deliveries for lords (4,4) 9 Take Mickey direct to univer-

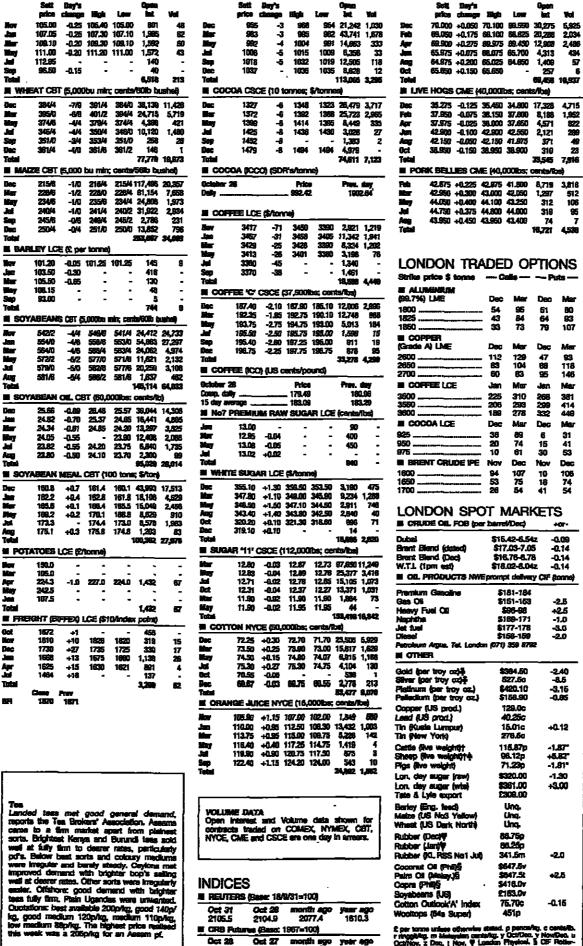
sity (4,2) 16 A repair by expert can be changed (9) changed (9)
Glass vessel (8)
Unfortunately turns up with morning greeting for Muslim

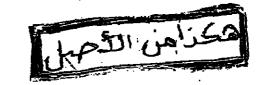
Spoke out in high pitch to sig-nal arrival of sweet (turnover) (5,2) perhaps (9) design requirements (6)
Retired from fashionable 23 Body of men – or body of man

Solution to Saturday's prize puzzle on Saturday November 12. Solution to yesterday's prize puzzle on Monday November 14.









LONDON STOCK EXCHANGE

MARKET REPORT

Ме_{ЕМ : 1994}

21.5

The water to

and the second section

State State of

.....

.

ORD

JUN

rendall

Share prices below the best following US data

By Terry Byland, UK Stock Market Editor

Economic data from the US dominated the London market yesterday, and although an attempt was made to break away above the FT-SE 3,100 mark, shares backed off when Wall Street fell at the opening of the new session. Once again, trading volume was very thin, causing increased volatility in London

The FT-SE 100-share Index closed 13.6 up at 3.097.4, having moved towards 3,100 at the finish as markets steadied after an initially bearish reaction to rises in the Chicago Purchasing Managers' Index and in US personal incomes, both seen as inflation threatening.

Nervousness over inflationary pressures on interest rates were

heightened in London after the believe that a further policy tightenannouncement of a 7.3 per cent gain in domestic MO money supply, and a modest rise in the British Purchasing Managers' prices index set the scene for further important developments this week.

Today brings publication of the Bank of England's Quarterly Bulletin, and the monthly meeting between the chancellor of the exchequer and the Governor of the Bank of England takes place tomorrow.

Some analysts believe that the chances that UK base rates will be raised before the end of the year have increased as economic data in the US has suggested that economic expansion is bringing inflationary pressure in its train.

However, Richard Jeffrey at Charterhouse Tilney said he did not

ing in the UK "would be valid" at the moment. Inflationary pressure, he noted, is coming chiefly through commodity prices, over which the UK authorities have no control.

Base rate worry cut into UK bond prices and this undermined a brave start by equities which took the Footsie index to within a few points of 3,100 in very early deals. The domestic economic data helped to reverse early gains and push the Footsie briefly into negative territory, taking it down to 3,079.

However, a strong stock index futures market soon took underlying equities ahead again. By midsession the market was comfortably through the 3,100 barrier with a gain of nearly 28 points on the Footsie.

The negative reaction from Wall

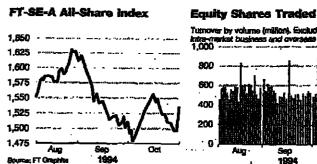
Street and the US bond markets to the Chicago Purchasing Managers' Index soon undermined markets in Europe, and the advance in the London market was checked, share prices briefly losing about one-third of early gains before the Dow Jones Industrial Average steadied. The Dow index had trimmed its fall to around 8 points when London

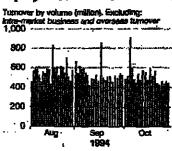
closed for the day. Traders shook their heads over another volatile session which had seen the market move through a range of more than 30 points, in both plus and minus trends on the Footsie, yet still brought disappointing turnover.

Seaq volume was down to 486.7m shares from Friday's total which exceeded 500m. Renewed strength in the utility stocks, seen as candispecial dividends, boosted the FT-SE Mid 250 Index, which moved forward 15.3 to 3,516.9. But the blue chips, discouraged by the dollar's lack of vitality, focused around prospects for company trading

Oil shares were strong as higher crude prices and Wall Street's response to good statements from the US oil majors set the scene for trading results due this morning from British Petroleum. Shares in BP hit new highs in sterling and dollar terms yesterday, fuelled by hopes for good news on the dividend front.

A further easing in the British Aerospace shares, while VSEL remained just under the GEC offer price, suggested that the market is assuming that GEC will emerge as dates for further share buybacks or the winner from the bid duel.





■ Key Indicators

dices and ratios					
-SE 100	3097.4	+13.6	FT Ordinary index	2351.9	+6.8
-SE Mid 250	3516.9	+15.3	FT-SE-A Non Fins p/e	18.87	(18,79)
-SE-A 350	1551.1	+6.8	FT-SE 100 Fut Dec	3109.0	+8.0
-SE-A All-Share	1536.31	+6.49	10 yr Gilt yield	8.83	(8.76)
-SE-A All-Share yield	3.93	(3.94)	Long gilt/equity yld ratio:	<u>2 2</u> 4	(2.23)
					-

Best performing sectors 1 Bectricity +2.1 Water +1.9 _ +1.4 Litilities +1.3 5 Telecommunications . +1.1

1 Life Assurance 2 Diversified inds .-0.5 Gas Distribution 5 Property

Worst performing sectors

Utilities extend

Water and electricity stocks left the rest of the market far behind as domestic and overseas institutions chased both sectors, responding to yet more bullish broker circulars, the prospect of more big special dividends from the recs, and on hopes of bumper results and dividends from the water

There was one notable casu-

alty in the recs in Manweb, whose shares, very strong early in the session, came under pressure following news of the resignation - "by mutual agreement" - of its finance director Mr John

Other recs, although generally closing below their best levels, still displayed hefty gains, with those perceived as strong candidates to deliver special one-off dividends heavily bought. Southern, up 28 at 800p, was seen as one of the favourites for such a move, as was Eastern, up 30 at 796p.

James Capel was said to have been the latest broker to recommend the water sector, following last week's positive notes from BZW, UBS and Credit Lyonnais Laing. Thames Water opens the water sector reporting season this morning, with the market looking for an interim dividend of at least 8p, a rise of around 8 per cent. Thames put on 101/2 at 532p. Severn Trent jumped 14 to 573p and Southern 12 to 608p.

Vickers hint

Vickers made rapid progress after an uncertain start. Down to around 164p in early trading, the shares subsequently began to move ahead on strong support prompted by a positive circular published by Robert

the underlying cash market to

This compared to a current

sellers moved in and drove the

fair value premium estimated

at around nine points. The

December contract down

the official 4.10pm close.

However, a last minute

towards 3,100 shortly before

scramble sent the contract up

some 26 points.

Fleming Securities. They don as the shares received supclosed 5 higher at 172p. Another bull story in Vickers was that the company may conclude a joint venture with Germany's Daimler Benz by

the end of the year in the development of new Rolls-Royce cars. Specialists said they expected Daimler to buy a 20 per cent stake in Rolls Royce Motor Cars for around £40m to £50m and eventually increase the holding to 49 per

Demand for Hanson International conglomerate

TRADING VOLUME

Vol. Closing Day's 200s price change

113 223
4,200 801
1,100 805
1,100 805
1,100 805
1,100 805
1,100 805
1,100 202
1,100 275
1,200 518
1,400 518
1,400 436
3,800 1091
1,200 204
4,500 204
1,000 567
1,200 204
1,000 567
1,200 204
1,000 567
1,200 204
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 304
1,000 567
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 305
1,000 3

ath ASDA Groupt ASDA Groupt ASDA Groupt Asbar Pathers
Divors Eastern Secut East Wildland Secu

2.500 2.500 2.500 3.

Major Stocks Yesterday

Hanson was among the most heavily traded stocks in Lon-

Stores group Kwik Save slid

Kwik Save hit

9 to 546p as securities houses stressed their sell stance ahead of figures on Thursday. There is a market consensus for fullyear profits of around £130m. and Yamaichi's Mr Bill Myers echoed the thoughts of several when he said many superstore majors now offer what Kwik Save alone used to offer.

port from reports of higher

for polyethylene, which is

manufactured by Hanson sub-

sidiary Quantum, had

increased by five cents a

pound. The fundamental firm-

ness combined with an increas-

ingly attractive yield has been

encouraging buying interest

after a steep slide since the

start of the month. The shares

firmed a penny to 231p, with

Analysts said that the price

commodity prices.

In a sell recommendation which hit client's desks yesterday, Mr Myers said: "Without a change of strategy, profits are set to plateau at about £130m for many years."

J. Sainsbury, which also reveals figures this week. slipped 3 to 398p on concern over the price fighting among the leading food retailers. Analysts expect interim profits tomorrow to come in around £445m.

Calluna, the Scottish-based designer and manufacturer of made an impressive stock market debut. The shares, placed

NEW HIGHS AND LOWS FOR 1994

NEW HIGHS (22).
GELTS (1) BUILDING & CHSTRN (1) Vibropler
DISTRIBUTIONS (S) Adam & Harvey, Ideal
Hardwing, Norbain, DUPENSIFED NOUS (1)
AMSJONEN, ELECTRING & ELECT ROUP (1) Missabbin, ELECTRING & ELECT EQUP (1)
Magnum Pover, ENGINEERING (2) Block &
Decker, Lincer, Spires-Serce, INVESTMENT
TRUSTS (2) Guttnory Value Zero Pri., Second
Crist., LESURE & HOTELS (1) Devid Lloys,
OIL EXPLORATION & PROD (2) Anva.,
Guistneam Res., OIL, INTEGRATED (1) EP.
OTHER FRIANCIAL (2) Edinburgh Fund Magns.,
Jupiter Tyndel, OTHER SERVS & BUSNS (1)
Anglo-East Planta, PHARMACHITICALS (2)
Astra, Bris Boroch Wits., TEXTILES & APPAREL
(1) Endport-Gunder

McKectrus, OM, Rubicon, EXTRACTIVE INDS (2) Ayer Hitm., Ractwood, POOD MANUF (5) Abort Fairer, Canadian Pizza, Devor, Pascoe's, Usborne, HEALTH CARE (2) AAH, Haemocal, HOUSEHOLD GOODS (1) Commed Partor A, INSURANCE (1) PAYS, INVESTMENT TRUSTS (7) INVESTMENT COMPANIES (2) LEISURE & HOTELS (2) Articura 6*Hp PI, Tring, MEDIA (2) Intercuryop Tech., Tirkly, OR, EXPLORATION & PROO (1) LASMO Ops, OTHER FINANCIAL (3) Intermediato Cap., Towny Law, Union, OTHER SERVS & BUSNO (1) Esseke, PRTING, PAPER & PACKIG (5) AG, Bermose, Inversed, PROPERTY (9) Dasign, Contion & Metro, Other, Pasi, Regaller, Sanda, Scottish Metro, Speciality Shops, RETABLERS, FOOD (1) Nurdin & Pasacock, RETABLERS, GENERAL (1) Softebys, STODE, RETABLISH, FOUD (1) North & Peacock, RETABLERS, GENERAL (1) Softbbys, SUPPORT SERVS (8) Compel, Gresham, Hogg Robinson, ISS-bril'Serv, Sys., JBA, Cudord Moleculer, TEXTILES & APPAREL (1) Lister, AMERICANS (1) Unlisb.

at 65p, and sponsored by Albert E. Sharpe, the Midlands stockbroker, opened at 87p and raced up to close at 92p, with 9.6m changing hands.

The current vogue for onmarket share buybacks continued as Macro 4 shares moved off their 1994 low point of 423p,

1.1m shares, or just under 5 per cent of its issued capital. Just

before the close of trading Macro announced it had bought in 844,000 shares at The market's 100-points plus upsurge over the past three

sessions injected renewed confidence in the financial sectors where recently battered merchant banks and investment management groups attracted keen interest. Hambros, which followed SG Warburg in announcing a prof-

its warning early last month, extended Friday's strong performance, closing a further 6 higher at 234p while SG Warburg put on the same amount. to 612p. Kleinwort Benson rose 7 to 488p and Schroders 30 to 1365p, Edinburgh Fund Managers jumped 14 to 723p, M & G Group 22 to 955p and Mercury Asset Management 14 to 628p. Switching out of Abbey National and into TSB, thought to have been triggered by Credit Lyonnais Laing, saw the latter move up 7 to 226p and the former 5 lower at 416p.

The two quoted Premier League football clubs gave good performances on the stockmarket as well as on the field. Manchester United moved up 12 to 657p after closing the gap on the premiership leaders and ahead of their European Champions League match against Barcelona on Wednesday. Tottenham edged

up 6 to 124p. British Aerospace tumbled 11 to 446p with one dealer taking the view that the VSEL bid

saga "Is all over bar the

shouting BAe has been outmanouvred by GEC."

Brewer Whitbread jumped 15 to 1720 as some chart-based analysis argued that the stock had broken through into a new

trading range.

Property and shipping company P&O improved 10 to 636p with dealers reporting a good two-way pull on the stock ahead of the official opening of the Channel Tunnel. Traders said that investment institutions were taking a stand on the effect that the Channel would have on ferry traffic and dealing accordingly.

A certain amount of bear closing saw troubled channel tunnel group Eurotunnel bounce 4 to 235p in the Units.

Transport group NFC suf-fered slightly after it was announced that its former chief executive Peter Sherlock is suing the company for £1.3m in compensation. The issue is unlikely to hit profits but did dent sentiment and the sharesz dipped to to 178p. NFC also said it was in talks with John I Jacobs to sell some of the assets of its BRS car delivery unit. Jacobs shares gained 4 to

Shares in Daily Mail Group fell 30 to 983p in the 'A's after the monopolies and mergers commission blocked its proposed acquisition of T. Bailey Forman publisher of the Nottingham Evening Post.

MARKET REPORTERS: Steve Thompson, Peter John.

Other statistics, Page 28

closing 11 higher at 434p after the company instructed its broker S.G. Warburg to buy in

LIFFE EQUITY OPTIONS Calls Puts Jan Apr Jul Option Nov Feb May Nov Feb May Allied Domeco: 550 54% 63 68% 6 11% 19% Hanson 220 13 17 20 1% 6 10 (7567) 600 21 33% 40 24 31 43 (730) 240 2 7% 10% 10% 16% 20% Armyl 360 13% 21 24% 13 17% 22% Lasmo 134 17 - 3% 280 6 12% 16 25 29% 34% (*150) 60 5 8% 8 4 5% 6 Lucas Inds 70 1% 3 4% 10% 12 12 (*192) 154 314 - - 714 - -1 180 141 28 24 11 51 9 200 31 91 14 101 15 19 500 38% 56 84 1½ 13 24½ 550 104 28 39 19½ 30½ 48½ 180 12 16 19½ - 4½ 7 200 1½ 6½ 10 8½ 14 18½ 300 18 27½ 31 1 6 12 330 2½ 12 16½ 13 15½ 27½ 817 850 23 49 80% 111/2 28 44% 1158 1 900 5 28% 37% 43% 55% 73 Redand 460 16 33% 41 7% 17% 32 (466) 500 2% 16 23% 44 11 17% (291) 300 6% 16% 23% 13% 20 27% BP 420 27% 35% 42% 10% 17% 22 (*435) 460 8% 17 23% 32 38% 43 (*435) 460 8% 17 23% 32 38% 43 (*456) 180 3 7 9% 22 24 25 (*588) 550 23 34 41% 25 30% 37 (*556) 600 6 15 22% 61 64 69 230 18 23% 28% 1 4% 10 240 3% 11% 17% 8 14 19% 200 14 20% 27 2 7% 10 217 4% 11% - 9 15% - 325 21% - 1 - 2 324 4 - 12 - 2 Cable & Wire 420 24 36 45 214 284 36 (*420) 460 18 294 28 48 53 60 Courtsuids 420 35 45 504 104 14 22 (*444) 480 131 244 304 30 31 424 (*444) 480 131 24 34 304 31 17 37 31 4 24 (*571) 592 9 17 4 49 631 - (*547) 592 9 17 4 49 631 - (*547) Vocalone (*211) Williams (*344)

Option Jan Apr Jul Jan Apr Jul 8AA 500 27 38% 46 11 15% 20% (°515) 525 14% 25 - 23 27% - Themses Wir 500 39% 52% 80 10% 15% 25% (°532) 550 14 27 34 35 40% 51 Dec Mar Jun Dec Mar Jun Land Secur 600 28% 41 47% 14 17% 28% (7616) 650 8 19% 26 44% 46 57% Marks 8, 5 360 12 41% 48 5 10 12 (414) 420 14 24 30 17 23 24% Markest 500 28% 29 46 18% 33 39 (7503) 500 10 18% 26 50% 65% 65% 69% Blue Circle 280 15 22 28 9 134 21 (283) 300 614 134 19 204 244 324 874516 638 280 1614 2614 31 4 9 15 (792) 300 74 164 204 174 17 25 (196) 21 254 304 3 8 11 (196) 200 94 144 20 104 17 204 Grand Met 390 28's 37's 43's 11': 11 15
(*416) 420 8 199 27's 11's 24's 29
Ladiative 140 13 19 22 1 4's 7's
(*151) 160 21' 9 12's 10's 14 16's
Utal Beacuts 300 12 23's 27's 4's 10 19
(*305) 330 11's 10's 14's 25 27's 38
Option Dec May 10's 10's 16's 4's (*226) 240 514 9 14 17 231/2 261/2

200 16 2076 25 4 8% 10 220 557 1076 15 13% 18% 21 8 000 55% 25 85% 11 23 33% 650 28 47 99 316 44% 57 Jan Apr Jul Jan Apr Jul BTR 300 12% 22% 27 4 10 17 17307 1 330 1% 9 14 33% 27% 34% 37% 38% 38% 27 3 4 10 17 1707 28 5 16 16 19% (7393) 470 10% 33% 38% 2% 9 18 17436) 460 2 14 18 35 29% 40 Glaud 550 54 76 86% 9 21% 27 (536) 500 32% 48 59% 27% 43 49% KSBC 759 59 700 58% 73 83% 22% 44 53% 750 31 4819 5999 47 71% 80% 460 35 4499 5399 12 20 25 500 16 25 34 32% 41 45% Nov Feb May Nov Feb May Eastern Elec 750 51% 73 90% 10% 28% 37% Eastern Bec 790 81 W 73 9015 10% 28% 37% (7795 1 800 287% 46 64% 30 51 60 Guinness 450 14% 28 35% 5 12% 21% (7468) 500 1 11 17 32 36 44% 6EC 280 280 24 28% 5 7% (7277) 280 65% 12% 18 6% 13 16 Rolls-Royce 160 16% 22% 25% % 4 7% (*175.) 180 3% 11 14% 8 12% 17 * Underlying security price, Premiuma shown are based on settlyment prices. October 31, Total contracts; 31,557 Calls: 15,740 Puts: 15,917

FT GOLD MINES INDEX Oct % chig Oct Oct Year Gross div 52 week 28 on day 27 26 ago yield % High Low

■ Regional Indices Atrica (16) 2814.53 -2.7 2891.26 2898.86 2189.34 1.73 3013.89 2169.34 1653.26 -2.1 1688.06 1745.47 1718.74 0.81 2039.65 1483.11

Copyright. The Financial Times Limited 1994. Figures in brackets show number of companies. Basis US Collars, Basis Violent 1000 00 31/12/92. Predigoessor Gold Mines Index. Oct. 31: 73.9., day's change: -5.5 points. Year ago: 224.8 † Partial, Latest prices, were ultervallable for mile eathern.

LONDON EQUITIES

	Rises	Falls	Serve
British Funds	4	58	9
Other Fixed Interest	0	D	14
Mineral Extraction	54	63	79
General Manufacturers	124	117	394
Consumer Goods	47	28	112
Services	97	78	320
Unities	33	1	10
Financials	76	106	183
Investment Trusts	178	30	257
Others	69	18	28
Totals	682	499	1406

1008		682	499	1406
Data based on those compani	es listed on the Lon	don Share Service.		
TRADITIONAL OF	PTIONS			
First Dealings Last Dealings	October 24 November 4	Explry Settlement		Jenuary 26 February 9

				140701111101	_		-		_	. 4074	uay
				Ceverdale, alis: Ceverda					NHL	(Pref),	Stan
DI	NDON	l R	ECEN	issue	S: i	EQI	HTIE	S			

<u> </u>	up	(Dn.)_	High		Stock	P	<u> +/</u> -	div.	COV.	yld	net
	F.P.	0.88	612	-4	APTA Wints.	61 ₂				_	
-	F.P.	9.83	73	63	Artesian Ests.	73	+4	-	_	_	
100	F.P.	178.0	93	89	BZW Commodities	89			_	_	
-	F.P.	18.0	47	42	Do. Wrts	45		_	-	_	
-	F.P.	49.6	92	65	∛CaBuna	92		_	-	_	
63	F.P.	12.2	68	85	Ennemix	67		RN0.71	5.3	1.3	8.4
-	F.P.	52.5	125	108	Filtronic C'tek	125	+5	AN0.75		0.8	42.
115	F.P.	39.1	126	115	Games Workshop	126		RN4.6	2.2	4.6	11.5
_	F.P.	2.24	35	27	Group Dv Cap Wts	27		_	_	_	
-	F.P.	29.0	62	58	Hambros Sm Asian	58		_	_	_	
-	F.P.	2.70	30	27	Oo Wastante	27		_	-	_	
180	F.P.	169.8	223	205	Irish Permanent	223	+1	uN6.0	4.6	3.4	7,8
180	F.P.	426.6	181	160	Man ED & F	166	+1	RN8.6	1.6	8.5	9.1
_	F.P.	340.2	488	475	Proffic Inc.	488	+3	_	-	_	
135	F.P.	58.3	149	136	Servisair	145	-1	RN3.8	1.3	3.3	23.5
-	F.P.	8.28	62	57	Yintichurch	62		RN1.25	3.0	2.5	13.0
-	F.P.	28.2	360	335	Wreichern Water	338		_	-	-	-
-	F.P.	4.74	330		Do. NV	320		-	-	-	-

ISSUA price D	Amount pald up	Latest Renun. date	19 High	94 Low	Stock	Closing price p	+01-
17	M	2/12	2pm	140m	APTA Health	3.pm	
20	NE	9/12	4pm	3^{1} 2 pm	Bullers	4pm	
178	AR.	28/11	20pm	8pm	Cattles	11pm	+2
ir4p	NI	25/11	4pm	¹ 4Pm	Dragon Oil	¹ pm	
500	Na	12/12	50pm	39pm	Matthew Clark	39pm	
26	Ne	22/11	4pm	1 ₄ pm	Novo	14000	
180	N	9/12	15 ¹ 2pm	5pm	Sidlaw	15pm	+7
1330p	NE	23/11	59pm	25pm	Smurit: (J)	40pm	+1
5	NE	15/11	21 ₂ pm	3 pm	√Union Square	3 pm	

FINANCIAL TIMES EQUITY INDICES

1 -100-1-0								
	Oct 31	Oct 28	Oct 27	Oct 26	Oct 25	Yr ago	"High	Low
Ordinary Share	2351.9	2345,1	2310.8	2298.5	2301.8	2392.1	2713.6	2240,6
Ord, altv. yield	4.37	4.38	4,45	4,47	4.47	3.87	4.51	3.43
Earn, vld. % full	5.23	6.25	6,34	6.37	6.37	4.48	6.51	3.82
P/E ratio net	18.47	18.42	18.15	18.06	18.08	27.95	33.43	16.94
P/E ratio rel	18.01	17.98	17.70	17.61	17.52	25.90	30.80	17.09
For 1994 Ordinary	Share ind	es. Alince d	ompletion	hgh 271	3 6 2/02/9	1; low 49.4	26/6/40	

Open	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	High	Low
2355.8	2344.3	2358.5	2354.2	2358.1	2360.1	2361.2	2361.5	2351.9	2969.1	2341.6
_			Oct 31	Oct	28	Oct 27	Oct :	26 O	ct 25	Yr ago
SEAQ ba	angains		27,02	22	.487	21,112	21,2	25 2	4,673	28,404
Equity to	rhover (धिमार्ग		- 11	B4.8	1109.6	99	9.9 1	211.5	1090.8
Equity b				- 26	618	24,353	24,5	27 2	7.312	33,225
Shares b	reded (n	129†		- 4	62.4	465.2	43	4.7	467.1	571,8
tf-white	intro-mi	refeet built	ness and	CHARLES	1 11 177 (148					



gains

EQUITY FUTURES AND OPTIONS TRADING A healthy premium in stock index futures provided arbitrage opportunities which tended to set the tone for the day's trading, writes Peter

The FT-SE 100 contract expiring in December moved forward sharply in morning dealing, widening its lead on III FT-SE 100 INDEX FUTURES (LIFFE) 225 per full index point

	Open	Sett price	Change	High	Low	Est. vol	Open int.
•	3104.0	3109.0	+8.0	3130.0	3067.0	12557	59611
•	3140.0	3129.0	+7.5	3140.0	8125.0	62	3859
	3160.0	3151,0	+8.0	3160.0	3160.0	20	60
T-SE &	9D 250 N	DEX FUTUR	ES (LIFFE	210 per fi	index po	int	
	3540.0	3520.0	-20.0	8540.G	3530.0	216	4235
	_						

III FT-8E MED 250 INDEX FUTURIES (OMLX) 210 per full index point 3520.0 -All Open Interest figures are for previous day, † Exact volume shows.

FT-SE 100 INDEX OPTION (LIFFS) ('3097) 210 per full index point Calle 7.561 Pets 11.839 . TEURO STYLE FT-SE 100 INDEX OPTION (LIFFE) £10 per full index point

III EURO STYLE FT-SE MID 250 INDEX OFTION (OMLX) £10 per tuli index point

3400 3450 3500 3550 3600 3650 3700 3750

to 3.109, a premium of 12 points to cash. The day's economic statistics - MO money supply and purchasing managers

figures - appeared to have little effect on the market, which was dominated by technical trading, NatWest Securities and GNI were said to have been keen buyers, but overall volume was thin in comparison with recent levels and turnover failed to reach 12,000 lots by the end of the

pit-trading session.
Traded options volume was also down from Friday's level, with only 31,215 lots changing hands. Guinness was an active market with 1,895 contracts traded, but the other leaders -National Power, HSBC, British Steel, Eastern, Tesco and BP were significantly below

O Pulse O Sectionent prices and volum	as pro taken at 4	L30pm.					1,000	contra	acts.	,	
T - SE Actuaries	Share In	dices			:	:. ·			The t	JK S	eries
	Oct 31	Day's chge%	Oct 26	Oct. 27	Oct 26	Year ago	Div. yleid%	Earn. yield%	P/E ratio	Xd adj. ytd	Total Return
SE 100	3097.4					3164.4					1175.22
EE Mikt 250	. 3518.9					3520.5					1314.26
SE Miki 250 ex Inv Trusts	8514.1					3521.2					1310.56
SE-A 360	1551.1					1577.6					1203,77
E SmellCep	1780.91					1903.33					1388,14
E SmeliCap ex inv Trusts	1749.81					1786.39					1368.28
E-A ALL-SHARE	1536.31	+0,4	1529.82	1508.85	1486.60	1582.16	3.93	6.61	17.99	52.83	1212.73
FT-SE Actuaries Al	l-Share										
		Dev/s				Year	Div.	Eam	P/E	Xd adi.	Total
<u> </u>	Oct \$1	chga%	Oct 28	Oct 27	Oct 26	ago	ylekt%		ratio	ytd	Return
MINERAL EXTRACTION(18)	2774.56	+0.8	2752.71	2691.63	2662.10	2471.90	3.32	4.93	25.63	82.53	1117.15
Extractive Inclustries(4)	3882.29	+0,4	3967,96	3860.09	3803.32	3159.20	3.31	5.29	23.40	98.62	1071.29
Off, Integrated(3)	2754.70	+0.9	2728.13	2653.56	2025.38	2455.50	3.42	5.46	22.81	86.98	1133,61
Oil Exploration & Prod(11)	1903.53	+0.2	1899.27	1881.87	1870.33	1986.40	2.18		: 1	38.03	1101,35
GEN MANUFACTURERSPET	1855.68	·	1858.08	1838.83	1831.67	1925.90	4.12	5.16	23.41	67.81	949.23
Building & Construction(33)	1038.78	-0.1	1039,47	1040.35	1040,88	1170.10	3.80	5.34	24,70	38.06	818.55
Challetten bilette C bilember 200	4041 20	-0.0	1007 00	1707 11	1704 78	1007 40	4 11	£ 90	22.04	ec 00	BE7 04

FT-SE-A ALL-SHARE	1536.31	+0,4	1529.83	1508.85	1486.60	1582.16	3.93	6.61	17.99	52.83	1212.73	KAT Inchesos†
E FT-SE Actuaries Ali-	Share											Johnson Ma
		Day's				Year	Div.	Earn	P/E	Xd ad	Total	Kinglisher† Kwik Saye
	Oct \$1	chge%	Oct 28	Oct 27	Oct 26	ago	ylekt%	yield%	ratio	ytd.	Return	Ladbroke†
10 MENERAL EXTRACTION(18)	2774.58	708	2752 71	2881 83	2662.10	2471 90	3.32	4.93	25.63	82.53	1117.15	Land Securi
12 Extractive Industries(4)	3882.29				3803.32		3.31	5.28		98.82		Legal & Ger
15 Off, Integrated(3)	2754.70				2625.38		3.42	5.46		86.98		Libyds Abby
16 Oil Exploration & Prod(11)	1903.53				1870.33		2.18	±			1101,35	Lloyds Beni LASMO
												London Sec
20 GEN MANUFACTURERS(267)	1855.68				1831.67		4.12	5.18		67.81	949,23	Londo
21 Building & Construction(33)	1038.78				1040.88		3.80	5.34 5.35		38.06	818.55	LUCES MEPCT
22 Building Metis & Merche(32)	1811.33 2298.89				1784.76 2294.14		4.11 4.08	4.49		65.90	857,94 1020,15	MFI
. 23 Chemicals(23)	1773.30				1728.41		5.17	5.21		79.58 82.75	912.01	Manwels
24 Diversified Industrials(16)	1847.86				1825.91		4.08	5.21 6.81		82.F3 81.88	905.84	Marica & Sp Midbands B
25 Bectronic & Elect Soulp(34)												Morrison (W
26 Engineering(71)	1786.81				1772.28		3.20	5.06			1025.85	NFC
27 Engineering, Vehicles(12)	, 2247.02 2795.85				2232.41		4.45 3.08	1.55 5.35	80.001		1099.08	Nativest Ba National Por
28 Printing, Paper & Pokg(26)					2758.81					75.71		Next.
29 Textiles & Apperei(20)	1582.45				1547.51		4.31	6.93		49.58	684.95	North West
30 CONSUMER GOODS(97)	2745.81				2669.17		4.37	7.30			949.63	Northern Ele Northern Fo
31 Breweries(17)	2269.49				2215.03		4.17	7.57			1018.62	Norweb
32 Spirits, Wines & Ciders(10)	2858.73				2747.05		3.90	6.78		101.23		Pagrsont
33 Food Manufacturers(23)	2284.21	+0.1	2281,70	2251.18	2233.56	2380.30	4.25	7.63	15.28	88.25	965.13	PACT
34 Household Goods(13)	2417.52	+0.6	2403,38	2379.50	2386.77	2740.50	3.78	7.51	15.93	89.98	875,48	Palangton PowerGent
36 Heelth Care(21)	1614.28	+0.2	1610.97	1609.29	1802.81	1739.40	3.12	3.34	42.13	48.24	940.5D	Prudentelif
37 Phermacouticals(12)	3005.82				2936,78		4.49	7.12	18.25	125.28	981.77	RMC
38 Tobacco(1)	3682.81	0.1	3887.00	3824,09	3498,25	4158.30	5.89	9.33	11.51	217.07	840.08	RTZ† Racai
40 SERVICESČI19I	1902.34	+0.1	1601.53	1881.63	1875.34	1890.90	3.25	6.42	18.61	52.10	838.15	Rank Org.† Rackett & Co
41 Distributors(30)	2508.51				2487.37		8.74	7.31		85.25	873.70	Reckst & Co
42 Laisure & Hotale(25)	2043.72				2027.01		3.39	4.88		57.89	1010.43	Read Ind.†
43 Media(38) _	2852.75				2759.96		243	526	22.78		992.45	Rentold)
44 Retailers, Food(16)	1694.87				1667.60		3.82	9.45		52.00	1014.99	Reuters†
45 Retailers, General(45)	1832.27				1633.15		3.24	6.65		44.87	874.48	Rolls Royce Ryl Bk Scot
48 Support Services(41)	1502.82				1483.88		280	8.43		35.82	915.88	Royal Insura
49 Transport(16)	2262.82				2198.38		3.73	5.82	20.62		B85.37	Seinsburyt
51 Other Services & Businese(7)	1234.56				1234.76		4.10	3.15		29.83	1063.00	Schroders† Scottish & N
	2452.85						4.29	7.87				Scot Hydro Scottski Po
60 UTILITIES(S6)	2452-85 2552-29				2345.21 i		4.29 3.59			81.97	948.19	Scottsth Por
62. Bectricity(17)	1938.26				2440.87 : 1885.20 :		5.39 6.18	9.67 ±		53.45 117.98	1081.40 909.51	Sears† Sedcretck
64 Ges Distribution(2)	2089.57				1970.45		3.99	7.80		50.22	909.51 682.55	Seepment
56 Telecommunications(4)	1915.60				1842.93		5.07	12.34		69.35	957.59	Severa Trent Shell Transp
68 Water(13)				·								Stepet
69 NON-FENANCIALS(687)	1658.89	+0.4	1651.63	1829.39	1617.18	167 <u>0.5</u> 2	<u>3.9</u> 0	<u>6.</u> 37	18.87	55.90	1176.29	Stough Esta
70 FINANCIALS(104)	2184.80 -	+0.8	2177.20	2138.20	2118.07	29.49.70	4.44	8.98	12.92	89.RP	869.47	Smith (W.H.)
	2877.32				2764,69		4.19	9.87		116.39	885.08	Smith & Nec Smith Beach
71 Barks(10)	1257.01				1212.21		5.38	9.39		61.61	868.07	Smill Beech
73 (naurance(17)	2998.97				2337.30		5.33	7.77		127.82		Smiths Inds.
74 Life Assurance(5)	2722.68				2847.52 t		3.82	12.11		87.78	822.14	Southern Ele South Wales
75 Merchant Banks(6)							3.98	8.52	14.04		983.39	South West
77 Other Rhancial(24)	1833.61				1792.84						826.87	South West.
79 Property(41)	1442.72	-03	1446,64	1433136	1441.99	1/1/.5U	4 <u>22</u>	4.49	<u> 27,94</u>	49.39	<u>10.020</u>	Southern Wa
80 INVESTMENT TRUST9(124)	2738.77	+0,4	2727 <i>.2</i> 0	2099.54	2690.49 X	2708 <u>.70</u>	<u>225</u>	1.97	51.41	55,51	921.77	Standard Cr Storehouse
	4500.04		1500 60	<800 9E 1	1498.80	CC9 18	3.93	6.61	17.00	40 00	1212.73	Sun Albance
89 FT-SE-A ALL-SHARE(865)	1536.31	+0,4	1069.02	-AUD-07	1490.00	ال عوب	2.53	0.01	17,39	-5.00	121219	TEN
					_							TI Group

\$087.5 \$082.7 \$105.1 \$100.7 \$106.6 \$108.8 \$110.0 \$108.7 \$097.0 \$111.5 \$079.1 \$615.5 \$610.0 \$617.1 \$517.7 \$520.0 \$620.2 \$520.8 \$621.4 \$616.5 \$522.0 \$508.2 1554,9 1556.2 1556.3

Time at FT-SE 100 Day's high: \$111.5 Day's low: 3079.1. FT-SE 100 1994 High: 3520.3(2/2) Low: 2679.8 (A4%).

	TI-SE	Actuark	es 350	Indu	stry b	asket	•	•					
		Open	9.00 .	10.00	11.00	12.00	18.00	14.00	15.00	16.10	Close	Previous	Change
-	Eldig & Cristron Pharmaceuticis Water Barrios	2970.2		978.2 2968.6 1922.8 2924.7	1815.5	978.0 2973.8 1927.6 2925.1	976.0 2976.5 1927.2 2927.8	1925.5	977.1 2995.3 1921.8 2920.0	1916.0	1914.1	977.1 2959.4 1879.3 2897.8	-1,0 +16,1 +34,6 +15,6

Based on trading volume for a steection of major securities dealt through the SEAG system yestericary until 4.30pm. Trades of one military until 4.30pm. Trades of one military control services of cover, † indicates an FT-SE

1550.9

22.1 8.5 7.9 82.2 1.5 84 422.9 5.7 3.5 282.2 11.8 2.5 282.2 11.8 2.5 105.1 0.1 5.8 11.9 24.9 3.2 133.5 16.2 1.3 132.5 16.2 1.3 134.5 16.2 1.3 134.5 16.2 1.3 134.5 16.2 1.4 134.9 2.3 4.5 7.7 16.8 1.5 134.9 2.3 4.5 7.7 16.8

35 1122 105 - 922 48 - 1657 1.1 - 967 6.9 56 1385 57 - 117.8 -228 4.8 - 110.3 12.0 18.1 - 2.5 - 2.5 - 3.5 - 3.5 - 3.5

AMINVESTMENT TRUSTS

DESTMENT COMPANIES

THE STATE OF THE S

22 237.1 14.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.03 24.8
4.1 14.

는 사건 선택적 기계를 하는 함께 목 하는 보고 있는 경험 전 시간 기계를 통해 되는 지원 보고 있는 경험 전체를 받는 것이 되는 것이 되는 것은 것이 되는 것이 되었다.

| 1994 | 1915 | 1916 | 1917 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | 1918 | ## GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GREM
GRE Mich (1974) 117 (1974) 1 1 1 1 1 1 HOUSEHOLD GOODS | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 10 DISTRIBUTORS High 104:105:298 196:1 66 498:6 498:6 191:1 66 498:6 191:1 66 191: Service of the control of the contro Corona 1.52.0 1.72.0 1. ENGINEERING | The color of the DIVERSIFIED INDUSTRIALS | Section | Sect

LONDON SHARE SERVICE

CHEMICALS

CONE A BEB

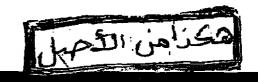
Han Maintening and a standard of the Manager Substitute of the

Part of the second

不是不是我的女子,我也不是,不是我也不是我们的人的人的人的人,我们也不是我们的人的人,我是我们的人的人,我们也是我们的人的人的人,我们也是一种人的人。

Robert Strange of the con--

ءَ ۾



COLL EDUCATOR A PRODUCTION - Cont.

STATE SERVICE

OIL EDUCATOR A PRODUCTION - Cont.

OIL EDUCATOR A PRODUCTION - Cont.

OIL P **MYESTMENT TRUSTS - CORL** TRANSPORT - Cont. | Process | Proc | Bid | Company Notes
Notes ### Notes
Notes ### Notes
Notes Perpendial Japania | Persential Japania | Persentia | The content of the 198 173 198 173 173 173 175 175 1611/4 1611/4 114 51/2 384 33 52 138 7800 48.0 186.5 62.0 1.92 1.92 45.4 9.83 55.5 14 | 1- | 1- | SPIRITS, WINES & CIDERS + or 1994 - high lo + 4 *859 5 3 - 1 140 11 + 4 562 3 + 4 562 3 + 4 562 3 - 9 57 3 - 9 514 5 - 200 11 - 200 17 Mid Capem 8,154 206.3 70.6 8,673 9,434 533.0 250.5 78.3 198.3 138.3 Price \$98 393 1194 418 4680 419 21540 575 5384 114 2184 152 540 550 356 105 375 456 127 365 517 113 2177 142 Price + 67 567 + 5 567 + 5 953 + 3 468 - 1 199 - 328 - 1 573 + 14 573 + 14 573 + 14 574 + 12 584 + 12 585 + 12 585 + 12 586 + 13 586 + 13 586 + 13 587 + 14 588 + 12 588 SUPPORT SERVICES Anglan | 34|| 56

Recol Water | N | 66

8.1 | Seven | Karer | N | 44

8.8 | 8.1 | Seven | N | 44

1.2 | 10.3 | Karrer | N | 52

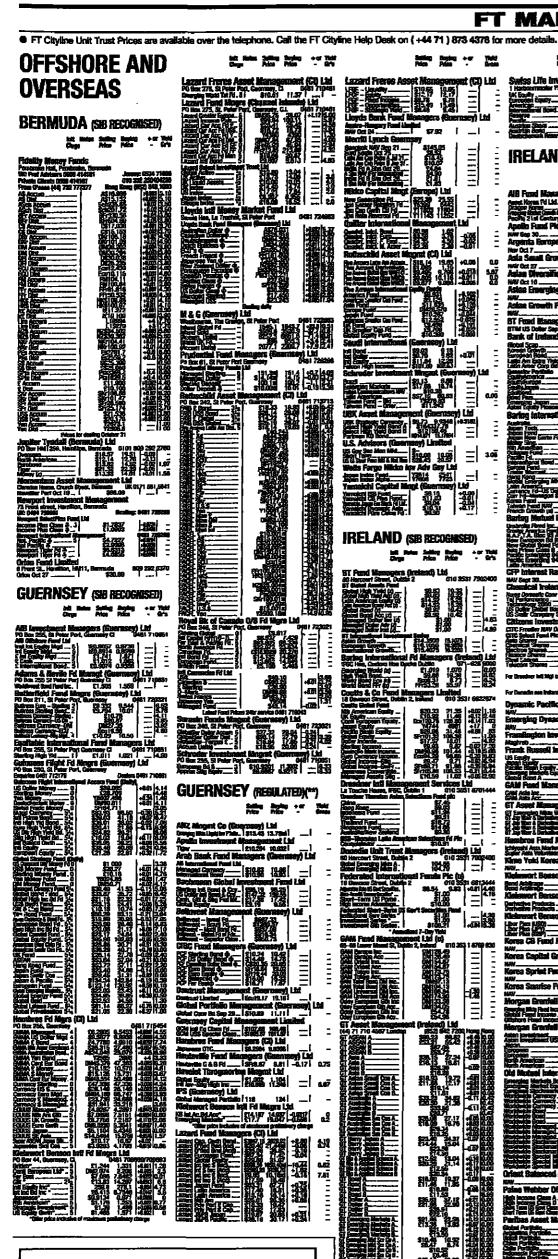
1.3 | 10.3 | Karrer | N | 52

1.4 | 21.5 | Seven | Trait | All | St | Seven | Trait | All | Seven | All | Seven | Trait | All | Se | Cord | BASCARACTEN COLUMNACTOR DE CONTRACTOR SECURIOR S 1984 Mid.
h low Caping
la Sign 3,788
55 577 784
69 177 5742
178 1275
18 1272
18 227 467
18 227 467
18 227 468
18 227 1,622
18 227 1,622
19 57.9
19 489 382,0 Hgn 9034 550 241 244 250 471 443 395 484 484 1242 873 | The control of the Price £ 1145; 1244 pp. 1254 pp CapCas B.1647 2.775 - 6.554 7.654 3.554 3. | Compared **TELECOMMUNICATIONS** The bitostop invasipant inserts are not diplie for inclusion in the Fise Actuaries Saure botton.

Dazilia in the Fise Actuaries Saure Saure.

Dazilia in the Fise Actuaries Saure + or 1894 Met
- high low Cop2n
- 536 1732 1,233
- 551 1232 9600
- 128 75 12.1
- 582 280 2,237
- 582 280 2,237
- 583 538 1,004
- 7655 3584 533.4 A the character of the | Montest & Prince | 1867 | 1862 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 1864 | 18 1923-94.
It Figures bened on BMR
If Headhas Earnings!
Prigures based on prospectus or other officials estimates for 1994.
It Forecast annualies yield, pre based on prospectus or other official estimates.
I Figures annualies.
Vi Pro forma figures.
Z Devidend yield to date. All 222 years 4.8 222 years year's earnings official estimates for the previous year's earnings of the previous year's ear

FT MANAGED FUNDS SERVICE



If you like money you'll love The Banker

The Banker, published by The Financial Times is the most authoritative international magazine for the senior bankers and finance professionals worldwide.

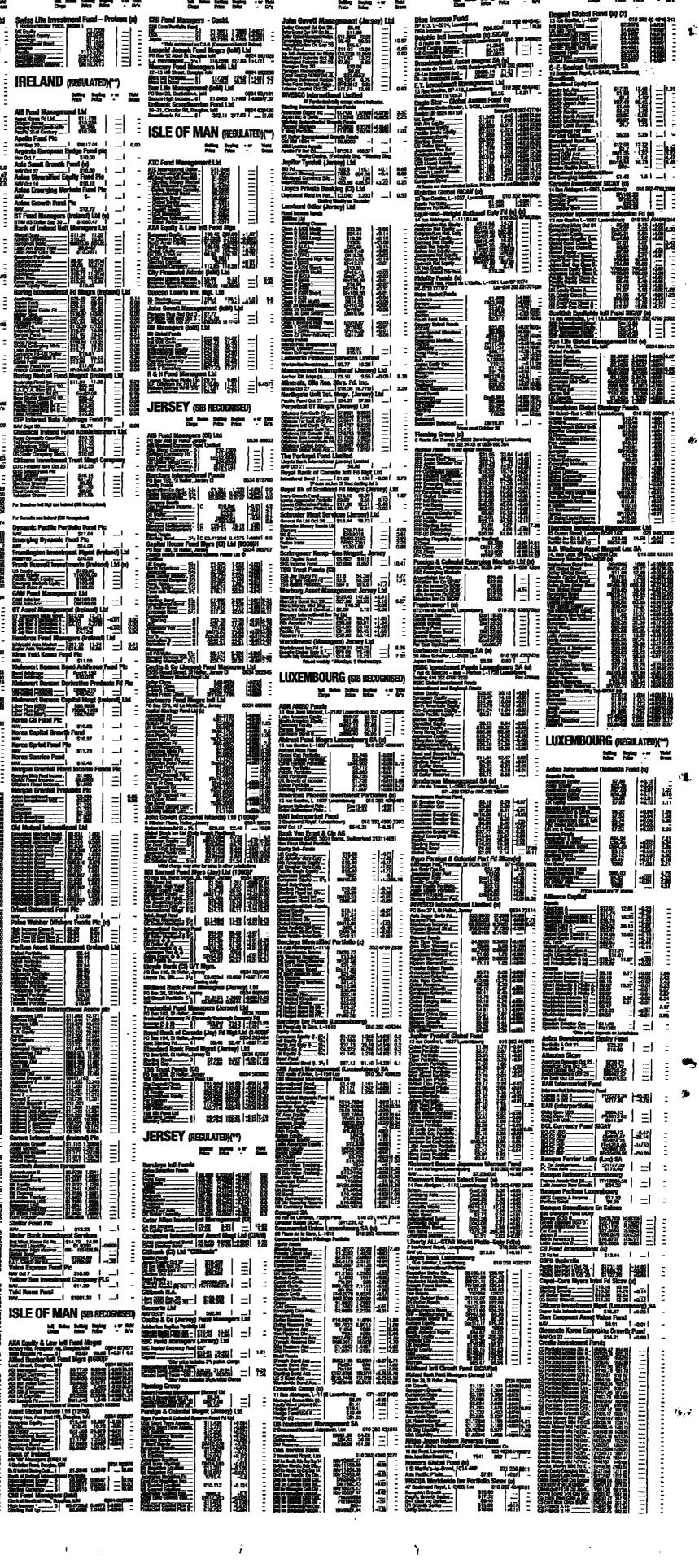
Do they know something you don't?

For subscription details contact the marketing department Tel no: +44(0)171 405 6969 Fax no: +44(0)171 242 2439

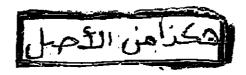
THE BANKER



FINANCIAL TIMES



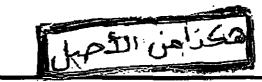
in .



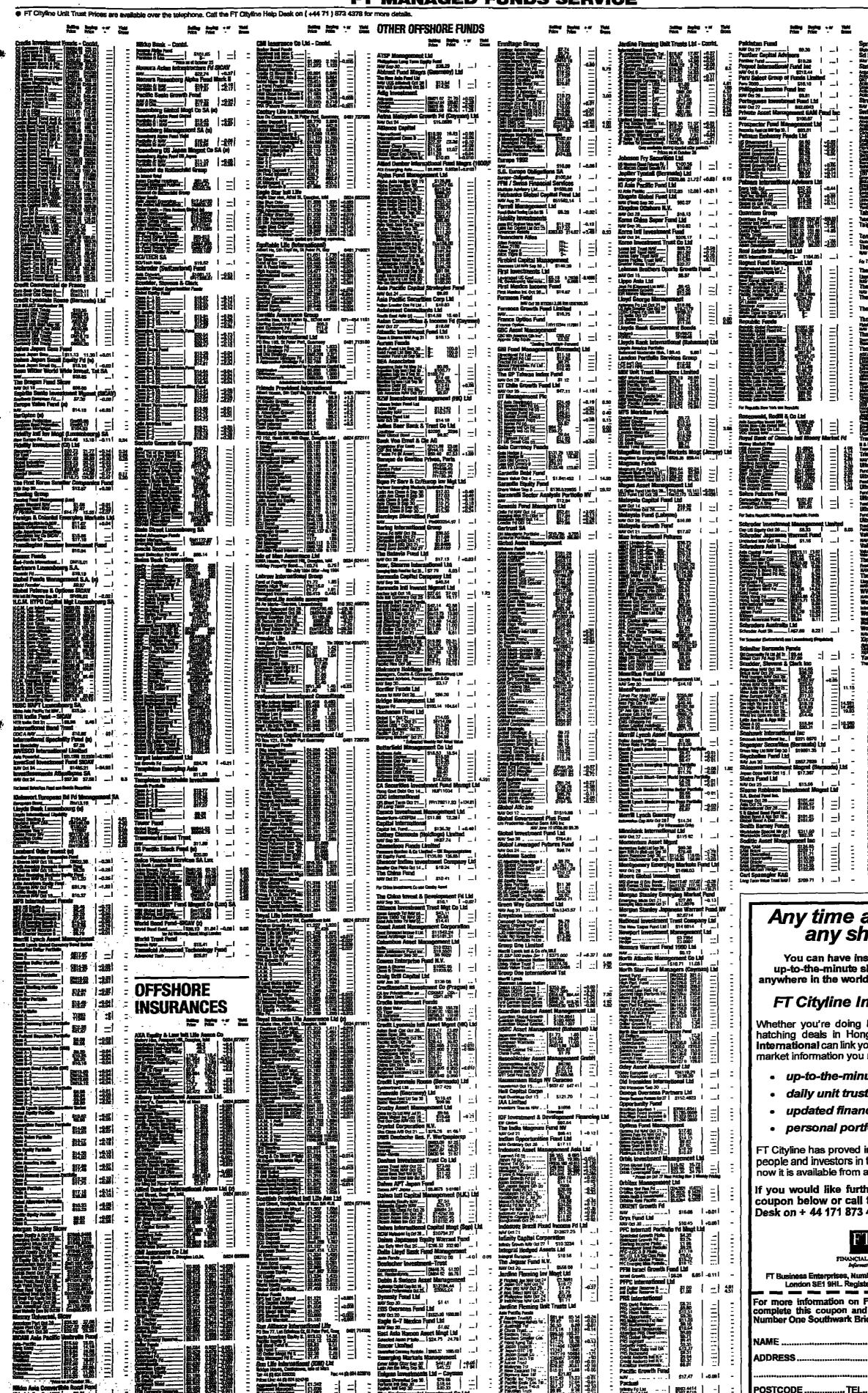
OVENTER

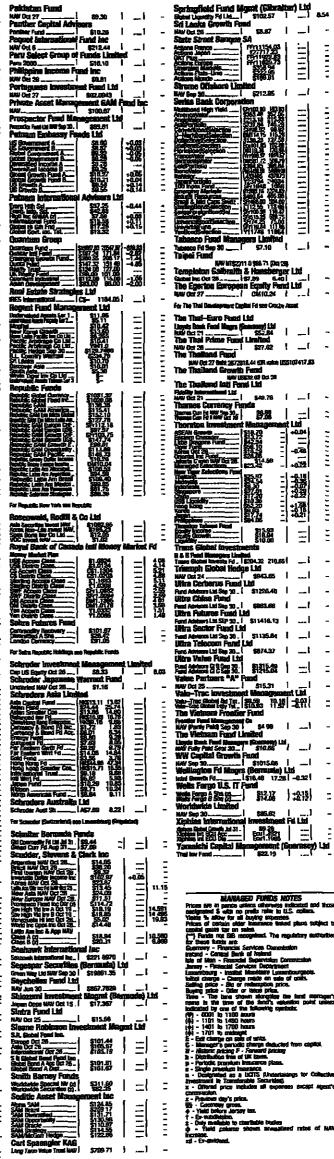
S. Stranger

MAGURG TELLT.



FT MANAGED FUNDS SERVICE





Any time any place any share...

You can have instant access to up-to-the-minute share prices from anywhere in the world by telephone with:

FT Cityline International

Whether you're doing business in Berlin or hatching deals in Hong Kong, FT Cityline International can link you with all the UK stock market information you need:

- up-to-the-minute share prices
- daily unit trust prices
- updated financial reports
- personal portfolio facility

FT Cityline has proved invaluable to business people and investors in the UK for years. And now it is available from anywhere in the world.

If you would like further details fill in the coupon below or call the FT Cityline Help Desk on + 44 171 873 4378.



FT Business Enterprises, Number One Southwark Bridge,

London SE1 9HL. Registered Number 980896. For more information on FT Cityline International, complete this coupon and send it to FT Cityline, Number One Southwark Bridge, London SE1 9HL

POSTCODE

Notes to the factor

CURRENCIES AND MONEY

MARKETS REPORT

Sterling firmer on interest rate speculation

yesterday as speculation about a rise in interest rates intensified, writes Philip Gawith. The trade weighted sterling

index finished at 81, its highest level since the beginning of March, but still below a high for the year, around 83, reached in January. The pound finished in London at DM2.4583 against the D-Mark, from DM2.4505, and at \$1.6306, from

\$1,6235, against the dollar. Attention today will focus on the Bank of England's quar-terly bulletin, and the inflation report, whose publication will provide the background to tomorrow's monetary meeting.

Market activity was generally quiet yesterday, and this will continue today with a number of European markets closed for All Saints Day.

The dollar had a fairly quiet day, with the market showing little inclination to build on Friday's rally. It closed at DM1.5077 from DM1.5094, and at Y96.95 from Y97.335. The D-Mark had a quiet day

POUND SPOT FORWARD AGAINST THE POUNC

in Europe. The Swedish krona weakened slightly, to SKr4.780 from SKr4.759, following an announcement from Moody's, the rating agency, that it would be reviewing the status of Sweden's sovereign debt.

■ Speculation about higher UK rates was fuelled by the October M0 money supply figure, which rose by 7.3 per cent year-on-year. This was higher than market expectations, well above the monitoring range of 0-4 per cent, and the fastest annual rate of growth since January 1989.

To some extent, though, market expectations of higher rates possibly being sanctioned at the monthly meeting also reflect a new found credibility in UK monetary policy. Underlying inflation, at 2 per cent in

F Pour	of in New Yor	k
Oct 31	Latest	- Prev. class
£ apot	1.6355	1.6240
1 milh	1.6347	1.6234
3 mith	1.6346	1.6229
i w	1,8228	1.6135

0.3

0.2

1,2896 0.0 1.2897

9.6342

1.0154

0.2 1.0154 0.2 -27 2532.43 -2.7 0.7 50.4879 0.8 0.5 2.7512 0.7 0.0 10.6907 -0.1 -8.3 256.259 -7.8 -2.2 209.94 -10.6 -1.9 11.8179 -2.1 1.8 2.0415 1.9

+0.0619	905	-062	17.3082	17.2440	17.295
+0.1944	576	-181	50.5181	50.3600	50.5579
+0.0398	168	-270	9.6270	8.5731	9.8195
+0.0007	245	-480	7.5400	7.4630	
+0.031	136	-241	8.4241	8.3778	8.4179
+0.0078	570	-695	2.4695	2.4468	2.457
+1.605	509	-044	377.065		
+0.0021	153	-165	1.075	1.075	1.0157
+8.05	402	-663	2516.63	2497.11	2521.08
+0.0103	545	-580	2.7580	2.7430	2.755
+0.0402	837	-945	10.6961	10.6861	
+1.005	035	-683	251.683	250.297	235.079
+0.588	447	842	204.642	203.588	204.915
+0.0675	460	-668	11.7688	11.6532	11.7754
+0.0575	460	-668	11.7688	11.6532	11.7754
+0.0575	460	-668	11.7688	11.6532	11.7754
+0.0575	460	-668	11.7688	11.6532	11.7754
+0.0575	460	-668	11.7688	11.6532	11.7754
+0.0575	460	-668	11.7688	11.6532	11.7754
+0.0575	460	-668	11.7688	11.6532	11.7754
+0.0575	460	-668	11.7688	11.6532	11.7754
+0.0575	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668	11.7688	11.6532	11.7754
+0.0576	460	-668			

1,2905 1,2839

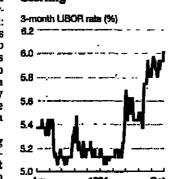
level in 27 years. Mr Avinash Persaud, head of currency strategy at JP Morgan in Europe, commented: "The Bank of England has managed to build credibility so that the market now believes the government is inclined to act pre-emptively. There is a belief that the monetary regime has now changed. The UK is now acting more like a European country.

The December short sterling contract closed at 93.50 yesterday, showing that the market expects UK interest rates to rise to 6.5 per cent by the end of the year. Three month LIBOR is currently at 61 per cent, up from 6 per cent.

Mr Richard Phillips, analyst at brokers GNI, said the firmer cash rates reflected both a month-end squeeze, and press speculation about the prospect of higher rates. "There has been a shift in sentiment from the possibility to the probabil-ity of a rise in rates."

208,04 11,9624 1,9992

0.0



now predicting a further rise in rates by the end of the year, it is still only a minority who are expecting this to follow in the immediate aftermath of tomorrow's monetary meeting. Many analysts argue that, with the chancellor probably undecided about the extent of tax changes in this month's budget, it would be wise to leave

Source: FT Greatite

Oct 31

105.6 74.5 117.0 121.0 86.6

-85.9 75.9 122.6 81.0

Mr Eddie George, governor of the Bank of England, last week lent some support to those arguing against a precipitate move. He said bond mar-

In a speech in Birmingham. he added: "There are relatively few immediate signs that inflation is about to pick up strongly." Contributing to the governor's optimism about the inflation outlook will have been sterling's recent strength, putting downward pressure on imported inflation. The trade weighted index has risen from a low around 78, in mid-Au-

inflationary threat.

gust, to 81 now. On the other hand, the possibility that market expectations might hasten the next rate rise was highlighted by Mr Kenneth Clarke, the chancellor. during the September monthly meeting. He said: "Financial markets were expecting interest rates to be raised sooner rather than later. If those

31.1300 31.0100 5.9179 5.8960 4.6398 4.5943

5.9179 5.8980 4.6398 4.5943 5.1775 5.1615 1.5127 1.5072 232.900 232.200 1.6056 1.6005 1546.00 1540.90 1 31.1300 31.0100 1.6954 1.6839 6.5819 6.5510 154.550 154.000 1 155.900 125.420

125.900 125.420 7.2385 7.1735 1.2628 1.2575 1.6310 1.6190 1.2649 1.2605

1.0000 0.9998 0.8470 0.8440 1.3545 1.3517 3.4386 3.4335

1.3485 1.3448 7.7275 7,7270 31.3976 31.3725 97.5000 96.9000 2.5578 2.5527

+0.0173 180 - 286 -0.0033 615 - 850 -0.0017 073 - 080 -0.02 200 - 400 +0.0037 048 - 056 -1.12 225 - 300 -0.015 150 - 360 -0.006 988 - 910 -0.003 764 - 570 -0.05 000 - 300 -0.196 420 - 470 +0.0226 057 - 145 -0.0021 575 - 585 +0.0071 301 - 310 +0.0011 839 - 649

-0.0002 998 - 899 -0.003 440 - 450 +0.0027 523 - 528 +0.0027 335 - 385

+0.0015 470 - 479 - 270 - 275 +0.0083 725 - 800 -0.385 000 - 000 +0.0038 563 - 570 -0.0008 234 - 247 -0.02 300 - 300 -0.0001 510 - 513 -0.0012 700 - 705 +0.003 005 - 020 -0.005 100 - 300 +0.0052 440 - 500 +0.0052 440 - 500

expectations were not realised, the markets could become more volatile and the eventual rise in rates might need to be

Although the timing of a rise in rates is in dispute, there is a kets were exaggerating the measure of agreement that the likely trajectory of UK rates will be gradually upwards. rather than sharply, as often in the past. Mr Persaud said the good behaviour of the current account, and inflation, during the present recovery, "would allow rates to peak at a much lower level than before."

larger."

0.0 10.6093 0.0 30 99 -0.8 59735 -0.2 4.6188 -0.4 5.1633 -0.1 1.5059 -1.4 233.125 0.0 16051 -3.3 1554.43 0.0 30.99 0.0 1.6887 -0.5 6.571 -4.9 155.9 1 -2.7 124.71 1 -2.5 7.2541 1 13 1.253 3 0.5 1.6292 3 0.6 1.2635

1.3485 7.7259 31.6063 96.15 2.5362

10.6095 31.025 5.905 4.622 5.165 1.5078 232.57 1.8051 1548.88 31.025 16.5775 1.25.77 7.2248 1.2567 1.6934

1.3478 7.7263 31.4613 96.73 2.5475 1.6251

2.5576 2.5527 2.5475 4.3 2.5362 1.8293 1.6215 1.6251 -0.7 1.6269 24.9500 24.8000 -7.525 -0.4 3.7566 1.4725 1.4700 1.7525 -0.4 3.7566 1.4725 1.4700 1.4689 1.1 1.467 3.5085 3.5005 3.5168 -5.3 3.5451 4.0300 4.0100 4.0537 -10.1 4.1125 797.400 798.700 800.15 -4.5 803.65 26.0580 26.0390 26.067 -0.9 26.107

24.9330 24.9130 24.9955 -3.5

■ The Bank of England provided UK money markets with £1.321bn assistance, including £355m late assistance, after forecasting a £1.4bn daily

Oct 31	£	S
Hangary	175.790 - 176.213	107.840 - 106.040
iran	2858.00 - 2861.00	1748.00 - 1750.00
Lineal	Q 484Q - 0.4845	0.2969 - 0.2971
Potand	37541.2 - 37725.0	23030.0 - 23130.0
Russia	5038.55 - 5043.44	3090.00 - 3093.00
UAE	5.9997 - 6 0116	16715 - 3,5735

0.0 10.5345 0.5 30.91 -0.8 5.952 0.2 4.5153 0.0 5 1553 0.5 1.4955 -1.4 235.375 0.0 1.5921 -3.1 1594.13 0.5 30.97 0.4 1.6782 -0.9 6.603 128.595 -2.4 7.3941 1.6 12355 0.3 1.6181 0.3 1.2614

MONEY RA	[E\$	_	-	Stx	One	Lomb.	Dis.	Reg
October 31	Over night	Cae	Three	miths	year	inter.	1200	Table
	4%	42	54	52	64	7.40 7.40	4.50 4.50	-
Belgium week ago	42	4	514	54	6%	5.00	4.00	6.72
France	5	52	5%	52	64, 674	5.00 ·		6.75
Week SQG	5&	54	5%	5%	5.60	6.00	4.50	4.85
Germany	5.25	4.95	5.18	5.25	5,58	6.00	4.50	4.82
week ago	4.85	4.95	5.15	5.25	2,30 7%	0.00	7.00	6.25
reland	54	54	57	8%		_		62
week 800	51	54	54	6%	7%	_	7.50	8.20
italy	874	84	81	92	10%	-	7.50 7.50	8.20
week ago	814	8 <u>§</u>	8%	914	104	-	7.00 5.25	9.0
Netheriands	4.84	4.99	5.20	5.35	5.75	-	5.25	-
week ago	4.84	4.99	5.19	5.33	5.70	- en=		-
Switzerland	33	3¥	4	44	4%	6.625	3.50	-
week 800	32	3%	4%	4%	4%	6.625	3.50	
Ωg #edex πθη	44	5	55	5%	64	-	4.00	-
week ago	42	5	58	5%	64	-	4.00	-
japan Japan	23	24	28	23	244	-	1.75	-
week ago	214	214	28	21	2%		1,75	:
SLEBOR FT Lo	ndon							
Interbank Floing	-	5월	570	54	61/2	_	-	_
week ago	-	5	5%	52	61/2		-	-
US Dollar COs	_	4.85	5.81	5.65	6.28	-	-	
Week ago	_	4.95	5.39	5.72	6.31	-	-	-
SOR Unked Ds	_	34	35	3%	4	-	-	-
week ago SCU Linked De mid	_	3%	31	3%	4	_	-	-

Mid rates are s	shown for	the domest	c Money	Races, US 5 (Divisi nefe	me fret
EURO C	URRE	NCY I	NTER	EST RA	TES		
Oct 31			days	One	Three	Sbx	One
	te	em r	otice	month	months	montres	year
Belosan Franc	43	- 413 41	- 417	5 - 47g	5 ¹ 4 - 5 ¹ 8	5% - 5%	6 ₁₈ - 8 ₁₈
Danish Krona			. 5 ¹ 2	5% · 5%	612 - 814	6% - 6%	712 - 714
D-Mark			- 41	4년 - 4년	51 ₈ - 5	5 ¹ 4 - 5 ¹ 8	5 ⁵ 8 - 5 ¹ 2
Dutch Guilder			- 4%	5 - 4%	5% - 5½	5½ - 5¼	5 4 - 5 ⁵ a
French Franc			- 5	5% · 5%	558 - 512	5% - 54	63 ₆ - 61 ₆
Portuguese Es			4 - 9	93 ₁ - 91 ₂	104 - 10	10% - 10%	
Spanish Pasel			- 77	7% - 7%	77 - 74	82 - 62	9시 - 8월
Starfing			2 - 5 2	55g - 6/g	6.6 - 513	6/2 - 012	74 - 70
Swiss Franc	334	- 31 ₂ 31	, - 3 ¹ 2	316 - 316	44 - 31	44 - 44	4% 45
Cen. Dollar			- 47	5% - 4%	512 - 53a	6 - 5%	67 64
US Dollar			2 - 4}}	54 - 412	559 • 512	514 - 512	61 ₂ - 61 ₈
Redien Lira			- B ₁ c	84 · 84	814 - 814 214 - 214	916 - 916 21 ₂ - 216	10년 - 9년 2월 - 2년
Yеп			- 232 - 252	22 - 24 3 - 24	34 31	34 - 35	44.4
Askan \$Sting Short term rate							
THREE M	KOKIH I	PEOR FU	runes (MATIF) Park	Interbank	offered rate	Oct 28
	Open	Sett price	Chang	ge High	Low	Set voi	Open int.
Dec	94,28	94.29	+0.0	2 94,30	94.25	16,083	. 56,084
Mar	93.61	93.65	+0.00		93.78	14,032	38,096
Jun	93.39	93,44	+0.0	B 93.45	93.35	6,898	20,009
Sep	92.99	93.05	+0.0	8 93.05	92.97	3,266	19,155
e, THREE M	IONTH E	EURODOL	LAR (LIF	FE)* \$1m po	ents of 1009	%	
	Open	Sett price	Chan	e High	Low	Est. vol	Open Int.
Dec		94.04	-0.0	2		. 0	2490
Mar		93.60	-0.0	I		0	1386
Jun		95.13	-0.03	2		0	350
Sep		82.79	-			0	56
n Three M	CHITH E	EUROMAR	K FUTU	ROES (LIFFE)	DM1m po	inta of 100%	6
	Open	Sett price	Chang	e High	Low	Est. vol	Open Int.
Dec	94.87	94,82	-0.03	94.87	94.82	10944	158472
Mar	94.59	94.54	-0.05		94.54	17721	156625
المال	94.21	94.16	-0.05		94.15	10683	112240
Sep	93.83	93.78	-0.04	93.64	93.77	7501	77103
NAME OF	ONTH E	URIQLIRIA	BIT.RA		IS (LIFTE) L	.1000m poin	ts of 100%
	Open	Sett price	_	•	Low	Est. vol	Open int.
	90.97	90.94	-0103		90.82	3384	32417
	90.25	90.21	-0.06		90.20	2123	29791
	89.70	89.66	-0.07		89.65	1501	16090
	89.31	89.28	-0.07	-	89.27	823	20372
HINGE W	CHTH E	URO SWI	3\$ FRAI	IC PUTURE	\$ (LIFFE) \$		
	Open	Sett price	-	-	Low	Est. voi	Open int.
	95.86	95.84	-0.04		95.83	1596	19649
	96.60	25.55	-0.03		95.52	933	17569
	95.18	95.15	-0.02		95.14	315	5156
Sep	94.82	94.78	-0.02	94.82	94.78	66	1809
-	- 1254			ED E-d		104	

93.94 93.48 92.97 92.47

-0.04 -0.03 -0.03 -0.02

93.90 93.45 92.93 92.45

Low

93.89 93.43 92.91 92.42

Americas	-	0.91218	3 -	-	•		-	-	•	-	-	•	-	Ameri	icas	-	1.481
Argentina	(Peso)	1.630	3 +0.0067	298 - 30	9 1.6308	1.6192		-	-	-		-	_	Argen		(Peso)	0.99
Brazil	(79)	1.377					-	-	.	·	-			8razil		(FB)	0.84
Canada	(C2)	2.205					2.2047	0.4	2.2029	0.5	2.1966	0.4	86.8	Cenac		(CS)	1.36
Mexico (Ne USA	w Pesc) (S)	5.8021 1.6300					1.6299	0.5	1.6292	0.3	1.6181	0.8	61.0	Mexic USA	O lideA	w Peso) (5)	3.43
Pacific/Midd			J 70.0071	JUI - JI	0 1.0310	1.0130	1.0203		1.42.02	4.0	1.0101	0.6	01.0		c/Middle		Africa
Australia	(AS)	2.197	1 +0.0119	957 - 98	4 2,1984	2.1805	2.1992	-1.1	2.202		22159		-	Austra	da .	(AS)	1.34
Hong Kong	(HK\$)	12.599					12.5931	0.6	12.5872	0.4	12.5176	0.7	-	Hong	Kong	(HK\$)	7.72
India	(Fis)	51.1600 158.08				50.7920	157 057	3.2	156.657	3.6	151 450	4.2	190.1	india		(Rs)	31.37 96.95
Japan Metaysta	(Y) DMS)	4.168					157.657	32	100.007	3.0	151.452	4.2	190.1	Japan Malay		(Y) (MS)	2.55
New Zealand	(NZS)	2.648					2.6527	-21	2.662	-2.1	2.6819	-1.3	_		ealand	(N2\$)	1.62
Philippines	(Peso)	40,568							-			-	-	Philips		(Peso)	24.88
Saudi Arabia	(SR)	6.116					-	•	-	-	-	-	-		Arabia	(SR)	3.75
Singapore	(55)	2.3973					•	-	-	-	-	-	-	Singap		(55)	1.47
S Africa (Com S Africa (Fin.)	L) (F1) (F1)	5.7090 6.5548		062 - 11 387 - 72					_ :			-	_		za (Com.) za (Fin.)) (F) (F)	3.50 4.02
South Korea	(Won)	1299.80				1289.70			-	_	_		_		Korea	(Won)	797.1
Tanwan	ે (T\$)	42,4710	+0.1922	543 - 87	6 42.4876	42.4543	-		-	-	-	-	-	Takvar		ं (इड)	25.04
Thelland	(81)	40.6382		107 - 65		40.6107	-	-	-	-	•	-	-	Thelia		(Bt)	24.92
190A rates for the but are implied.	Oct 28. 6	dioter spr	pacts in the Po	aund Spot to	sble show only	the lest the	e decimal	pieces.	Forward ra		not directly	quoted to	the market		ate for Co implied b		
CROSS EXCHAN					E\$. · · · · · · · · · · · · · · · · · · ·			ey e	å de						di Wali Walio	\$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
Oct 3	H	BFr	DKr	FFr	DM (EC L	F	I	NKr	Es	Pta	SKr	SFr	3	C\$	\$	Y
Belgtum	ŒF	n 100	19.02	16.64	4,860 2.0	007 497	2 5.44	4Q 4	21.12 4	96.8	404.3	23.23	4.056	1.977	4.359	3.225	312
Denmark	(DK		10	8.751		055 261				61.2	212.6	12.21	2.132	1.039	2.292	1.695	164
France	(FF			10		206 298				98.5	242.9	13.96	2.436	1.188	2.619	1.937	187
Germany	(C)		3.914	3.425		413 102				02.2	83.20	4,780	0.834	0.407	0.897	0.664	64.2
Ireland		E) 49.83	9.479	8.295		1 247				47.6	201.5	11.58	2.021	0.985	2.172	1.607	155.
italy Notherlanda		L) 2.011 7) 18.35	0.383 3.491	0.335 3.055		040 100 388 912).992 11.18	8.131 74.20	0.467 4.263	0.082 0.744	0.040 0.363	0.088	0.065 0.592	6.26 57.3
Norway	INK		9.008	7.883		300 312 950 235				35.3	191.5	11.00	1.920	0.936	2.065	1,527	147.
Portugal	Œ			3.350		404 100				100.	81.38	4.676	0.816	0.398	0.877	0.649	62.8
Spain	(Po		4.705	4,117	1.202 0.4	496 123	0 1.34	48 .	5,222 1	22.9	100.	5.748	1,003	0.489	1.078	0.798	77.2
Sweden	(SK		8.188	7.186		864 214				213.9	174.0	10	1.746	0.851	1.877	1.388	134.
Switzerland	(SF	<u> </u>	4.691	4.105		495 122 No. 6				22.5 251.3	99.71	5.729	1	0.488	1.075 2.205	0.795 1.831	77.0 158
UK Canada	(C	E) 50.58 S) 22.94	9.621 4.363	8.419 3.818		015 251 480 114				14.0	204.5 92.74	11.75 5.329	2.051 0.930	1 0.454	2.205	0.740	71.6
US		S) 31.01	5.899	5.162		B22 154				54.1	125.4	7.204	1.258	0.613	1.352	1	96.8
Japan		y) 32.01	6.089	5.328		842 159	2 1.74		6.759 1	59.1	129.4	7.437	1.298	0.633	1.396	1.032	100
Ecu		39.24	7.464	6.531		787 195				95. 0	158.7	9.116	1.591	Q.776	1.711	1.265	122
Danish Kroner, I	French Fr	anc, Norw	egian Kroner,	and Sweds	in Kronor per	10; Belgian	Franc, Yen	ı, Escu	do, Lira and	i Peseta	per 100.						
III D-MARK I	ALTTURE	S MAAA	OM 125.000	ner DM					H JADA		YEN SI	THESE	(BMM) Yen	12.5 per 1	fen 100		
	_						•										
	Open	Latest	Change	_	Low	Est. vol			_)pen	Latest	Change	High	ما		Est voi
	0.6615 0.6630	0.6621 0.6632	-0.0004 -0.0005			85,292 1,300	88,87 5,38		Dec Mar		.0305 .0405	1.0325	+0.0012	1.0333			30,961 543
Jun	-	0.6853		-	. 4.0026	688	1,249		Jun	•	-	1.0496	-	-			1
= #20000 ==				OE OOO						- mia							
STATES FR	ANTO PL	UNIES	umby SFT 1	යා,wu pei	<u> </u>			_	= STE	فالاست	-vi UHE	S (IMM)	282,500 p	ar 1,			
	0.7931	0.7945		0.798		33,378	41,58		Dec		6190	1.6222	+0.0004	1.6234			24,180
	0.7976	0.7980		0.7982		170	2,066		Mar	1.	6190	1.6220	+0.0014	1.6224			69
Jun	-	0.8020	-	0.8020		6	168		Jun		•	1.6170	-	-	1.61	170	1
	ana di ka	control and	min in the room of		4 3 2 3	ere Britanis (188		***	EMC		ODEA	M CH	RREN	w in	m 9/	TEC	
UKINT	ERES	T RA	ES 🖖					.	EM3	EUR	UPER	M C-0		71 UN	11.70	(IES	R
LONDON	HO	IEV D	ATES						JC 31		rates		raile nst Ecu	on day	CSUT	rate	A Meek
Oct 31				-	т	OL.	-	. 1	N-45Z								
-W 31		Over- night	7 days notics	One month	Three months	Six months	One year		Netherk treiend	DIN S	2.19672 0.808628			+0.00099 3.000078	-2.1 -1.9		5.70 5.48
								~- I	Belgium	1	40.2123		32019 ¬ 0.4379	+0.0163	-1.9		5.43
Interbank Steril Steriling CDs	ng	6l2 - 4l2	5월 - 5급	5½ - 5% 5½ - 5%	6년 - 6일 5월 - 5일 5월 - 5일	64 - 67			German		1.94964		91691	+0.0008	-7.6		5.16
Treasury Bills		:		54 - 54	513 - 513 513 - 513	614 - 614 -	74 - 7	~	France		6.53883	6.	56337	0.00218	0.3	18	3.01
Bank Bills			-	54 5	513 - 512	64 - 64	-]	Denmar		7.43679			0.00253	0.8		2.56
Local authority		5 ¹ 4 - 5 ¹ 9		5& - 5				13	Portuga Spaln	•	192,854 154,250		15.950 19.489	+0.018 -0.082	1,6 3,4		1.76 0.00
Discount Mark	et deps	54 - 4 ¹ 2	53 - 54	-	-	-	-	ı				. 15		-0.002	J.7	_	3,40
UK dearing ba	nk base	iandino s	40 54 ne e	ant from S	entember 12	1004		- 1	NON ER	M ME							
			Up to 1	.an. von a 1-3	3-6	t, 1994 6-9	9-12	. 1	Greece		284,513	29	5.282	-0.026	11.6		-7.38
			month	month		months			italy		1793.19		159.96	-0.6	9.3		-5.40

	nigh	t note	os mo	राषी	months	months	year
Interbenk Sterling	6 ¹ 2 - 4	il ₂ 5l ₂ .	5/2 5l ₂	- 5%	8/c - 6/2	6% - 6%	73 - 74
Starling CDs	•	-			5 - 5 3	6,7 - 6,8	74 - 718
Treasury Bills	-	•			5녆 - 5남	-	-
Bank Bills					5월 - 5월	64 - 64	
Local authority de				- 5,	5¾ - 55g	64 - 64	7/6 - 633
Discount Market d	leps 5½ -	11 ₂ 53 ₈ -	54	-	-	-	•
UK dearing bank	base landing	nate 54⊾ p	er cent in	om Sept	ember 12,	1994	
		Upi		1-3	3-6	6-9	9-12
		mo	nth m	onth	months	months	months
Certs of Tax dep.		11	-	4	34	34	312
Cents of Tax dep. ur Ave. fender rate of a 1994. Agreed rate fo period Oct 1, 1994 a 1, 1994	discount 5.434 or period Nov to Oct 31, 199	2pc. ECGD 26. 1484 to (4. Schemes	Red rate S Dec 25, 196 TV & V 5.96	itig. Expo 14, Scher 18pc. Fina	rt Pinence. nes d & di i nice House	Make up day 123pc. Refer Base Rete 6	ence rate for
THE MON	TH STURL	HO FUTU	ROES (LIF	FE) 8500	1,000 poin	18 of 100%	
Op			-	ii gh	Low	Est. vol	Open int.
Dec 93.				1.5B	93.46	14241	143438
Mar 92.				2.76	92.63	18052	71103
Jun 92		-		111	92.02	4489	56949
Sep 91. Tradecion APT. All				.68	91.58	2716	53466
Strike	Dec	CALLS -				PUTS	
9350			Jun		Dec 40	Mar	Jun
9375	0.16 0.06	0.02	0.08 0.05		16 31	0.90	1.54
9400	0.02	0.02	0.03		31 52	1.11 1.35	1.76 1.99
Est. vol. total, Celle							
	BA	SE LE	NDING	RA	ΤES	·	
Adam & Compan	% v 575	Drawn !	æwrie	% 576			76
Allied Trust Bank	575		ank Limited			лупе Смага	
AlB Bank			& Gen Ba		· ·	ration Limite	
OHenry Ansbacher	575					r authorised	
Bank of Barods	3.13	ORobert F				ang Institute	
Cores Cities 14	5./5					Bk of Scotla	
Banco Bibao Viza		@Guinness				& William S	
Bank of Cyprus			nk AG Zur				
Bank of Ireland		G Hambros				Bk of Kuma	
Bank of India			& Geninv			Trust Bank F	
Bank of Scotland		di E Sant				an Trust	5.75
Bercléye Bank			& Co			مالسا يدده	v 5.75
Brit ISK of Mild Eas			g & Shangi			rre Bank	5.75
OBrown Shipley & C			dge Bank .				
CL Bank Nederlas	nd 5.75	GLeopold 3	loseph & S	ans 5.75	Man	nbers of Lon	don

B	Open		st Che		_			Open int.
Dec	1.0305	1.032			333	1.0296	30,961	61,422
Mer Jun	1.0405	1.040		UTO 1.0	412 -	1.0403	543 1	7,085 718
Juli	-	1.043			-	•	•	710
E STERLE	<u>iG FUTU</u>	RES (IM	M) 282,50	O per £				
Dec	1.6190	1.622	2 +0.0	004 1.6	234	1.6176	24,180	45,544
Mar	1.6190	1.622			224	1.6190	69	529
Jun	-	1.617	- סי		-	1.6170	1	9
ems el	JROPE	EAN C	WRRE	NCY L	INIT	RATE	\$	
Oct 31	Ecu	cen.	Rate	Chang	ye %	+/- from		
	rate	95 B	gainst Ecu	on de	y c	en. rate	y week	est ind.
Netherlands	2.19	672	214891	+0.000	99	-2.18	5.70	
treland	0.808	626 (1,792619	-0.0000		-1.98	5.48	13
Belglum	40.2		39.4379	+0.01		-1.93	5.43	14
Germany	1,949 6,531		1.91691	+0.00		-7.68 0.38	5.16 3.01	-3
France Denmark	7.43		6.56337 7.49774	+0.002		0.82	2.56	
Portugal	192		195.950	+0.0		1,61	1.76	_
Spaln	154		159.489	-0.0		3.40	0.00	
_								
NON ERM M							=	
Greece Italy	264.9 1793		295.282	-0.0	26 16	11.63 9.30	-7.38 -5.40	-
uk UK	0.786		1959.96 1.781528	-0.0017		-0.66	-5.40 4.09	-
Ecu central ret								stranoth.
Percentage ch	ences ere i	or Force	oceina che	nas dennis	a a wask	CUITAGCY.	Diversarios	shows the
ratio between to for a currency,	न्त्र क्ष्म क्षम जन्म	a: the pen	centage diff emilieri re	erence betw reentees	reen the c	the cure	novis market	central गठका को स्थल के
FOT CALIDE UR	<u> </u>							
(17/9/92) Sterfi	ng and Ros	en Lra su	apended fro	om EFIM. Ad	Programme of the	culculated	D DY THE PING	ncisi Times.
M PHILADI	E AHTLE	E 1/3 (200ПЧ	£31,250 4	cents pe	r poundi)	
Strike			ALLS —				PUTS	
Price	No							
	14m	,	<i></i> Дес	Jan	N.	Y	Dec	Jan
	7.5				N.		<i>Dec</i> 0.11	Jan 0.39
1.550		5	7.63 5.46	<i>Jan</i> 7.85 5.86	0.0			0.39 0.82
1.550 1.575 1.600	7.5	5	7.63	7.85		Ħ	0.11 0.37 0.92	0.39 0.82 1.52
1.550 1.575 1.600 1.625	7.54 5.10 2.77 1.00	5 9 7	7.63 5.46 3.52 2.05	7.85 5.86 4.09 2.65	0.0 0.1 0.1	31 11 78	0.11 0.37 0.92 1.68	0.39 0.82 1.52 2.55
1.550 1.575 1.600 1.625 1.650	7.54 5.10 2.77 1.00 0.16	5 7 0	7.83 5.46 3.52 2.05 1.05	7.85 5.86 4.09 2.65 1.66	0.0 0.1 0.2 2.4	21 11 78 16	0.11 0.37 0.92 1.68 3.31	0.39 0.82 1.52 2.55 3.93
1.550 1.575 1.600 1.625 1.630 1.675	7.54 5.10 2.77 1.00 0.16 0.00	5 7 0 8	7.63 5.46 3.52 2.05 1.05 0.47	7.85 5.86 4.09 2.65 1.66 0.95	0.6 0.1 0.1 2.4)1 1 1 7 6 6	0.11 0.37 0.92 1.68 3.31 5.21	0.39 0.82 1.52 2.55 3.93 5.69
1.558 1.575 1.500 1.625 1.650 1.675 Previous day's	7.54 5.10 2.77 1.00 0.16 0.00 vol., Calla	5 7 7 0 8 2 7,623 Pue	7.63 5.46 3.52 2.05 1.05 0.47 23,389 . F	7.85 5.86 4.09 2.65 1.66 0.95	0.6 0.1 0.1 2.4)1 1 1 7 6 6	0.11 0.37 0.92 1.68 3.31 5.21	0.39 0.82 1.52 2.55 3.93 5.69
1.550 1.575 1.600 1.625 1.650 1.675 Previous day's	7.5; 5.16 2.77 1.00 0.1; 0.0; vol., Cath	5 7 7 0 3 3 2 7,623 Pue	7.83 5.46 3.52 2.05 1.05 0.47 23,399 . F	7.85 5.88 4.09 2.65 1.66 0.95 hav. day's o	0.6 0.7 0.7 2.4 4.0 pen M.,	71 11 78 16 59 Cods 452	0.11 0.37 0.92 1.68 3.31 5.21	0.39 0.82 1.52 2.55 3.93 5.69
1.558 1.575 1.500 1.625 1.650 1.675 Previous day's	7.5; 5.10 2.7; 1.0; 0.1; 0.0; vol., Cala	5 7 7 9 8 9 7,623 Pue	7.83 5.46 3.52 2.05 1.05 0.47 23,399 . P	7.85 5.86 4.09 2.65 1.68 0.95 nev. day's o	0.6 0.7 0.7 2.4 4.6 pen Ins.,	11 11 78 16 59 Cods 452	0.11 0.37 0.92 1.88 3.31 5.21	0.39 0.82 1.52 2.95 3.93 5.69
1,550 1,575 1,600 1,625 1,630 1,675 Previous day's	7.5; 5.16 2.77 1.00 0.1; 0.0; vol., Cath	5 7 7 0 3 3 2 7,623 Pue	7.83 5.46 3.52 2.05 1.05 0.47 23,399 . P	7.85 5.86 4.09 2.65 1.66 0.95 rev. day's o	0.6 0.7 0.7 2.4 4.6 pen Ins.,	11 11 18 16 59 Coffs 452.	0.11 0.37 0.92 1.88 3.31 5.21 384 Puta 403	0.39 0.82 1.52 2.95 3.93 5.69 0.962
1.550 1.575 1.605 1.625 1.630 1.675 Previous day's	7.5; 5.1; 2.7; 1.0; 0.1; 0.0; vol., Calla **********************************	7 7 7 7 8 9 7,823 Pue 94.05 94.05	7.83 5.46 3.52 2.05 1.05 0.47 23,399 . P	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's 0	0.6 0.7 0.7 2.4 pen int., pen int., gh	71 11 78 16 59 Cods 452. 100% Low 94.04	0.11 0.37 0.92 1.85 3.31 5.21 384 Pum 403	0.39 0.82 1.52 2.55 3.93 5.69 0.962 Open int. 430,382
1.556 1.575 1.800 1.850 1.850 1.875 Previous day's II THERESE II	7.54 5.16 2.77 1.00 0.15 0.05 vol., Cath SONTH E Open 94.06 93.82	5 7 7 0 3 2 7,523 Pue 94,000 Lates 94,05	7.83 5.46 3.52 2.05 1.05 0.47 23,399 . P	7.85 5.86 4.09 2.65 1.66 0.95 nev. day's o	0.6 0.7 0.7 2.4 4.6 pen M., otints of gh .06 62	71 11 178 16 16 199 Cass 452. 100% Low 94.04 93.60	0.11 0.37 0.92 1.88 3.31 5.21 384 P.m 40 584 P.m 40 184,889 204,168	0.39 0.82 1.52 2.55 3.93 5.69 0.962 Open int. 430,382 408,222
1.550 1.575 1.800 1.825 1.850 1.675 Previous day's 11 THERESE R	7.5; 5.1; 2.7; 1.0; 0.1; 0.0; vol., Calla **********************************	7 7 7 7 8 9 7,823 Pue 94.05 94.05	7.83 5.46 3.52 2.05 1.05 0.47 23,399 . P	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's 0	0.6 0.7 0.7 2.4 4.6 pen M., otints of gh .06 62	71 11 78 16 59 Cods 452. 100% Low 94.04	0.11 0.37 0.92 1.85 3.31 5.21 384 Pum 403	0.39 0.82 1.52 2.55 3.93 5.69 0.962 Open int. 430,382
1.550 1.575 1.605 1.625 1.630 1.675 Previous day's THERESE R	7.54 5.16 2.77 1.00 0.16 0.02 vol., Cath SONTH E Open 94.06 93.82	5 7 7 0 3 2 7,523 Pue 94,000 Lates 94,05	7.83 5.46 3.52 2.05 1.05 0.47 23,399 . P	7.85 5.86 4.09 2.65 1.66 0.95 nev. day's o	0.6 0.7 0.7 2.4 4.6 pen M., otints of gh .06 62	71 11 178 16 16 199 Cass 452. 100% Low 94.04 93.60	0.11 0.37 0.92 1.88 3.31 5.21 384 P.m 40 584 P.m 40 184,889 204,168	0.39 0.82 1.52 2.55 3.93 5.69 0.962 Open int. 430,382 408,222
1.550 1.575 1.500 1.625 1.630 1.675 Pravious day's THRESE R Dec Mer	7.5: 5.1(2.7) 1.0(0.0; vol. Cala vol. Cala 94.06 93.62 93.15	5 7 7 8 8 8 7,823 Pus 94,050 Lates 94,05 93,15	7.63 5.46 3.52 2.05 1.05 0.47 2.399 . P ELLAR (M t Chart	7.85 5.86 4.09 2.85 1.66 0.95 hav. day's o M/) \$1m p ge Hi 1 94. 11 93.	0.6 0.7 2.4 4.0 pan Int., coints of gh .06 62 .15	11 178 18 18 18 19 19 19 19 19 19 19 19 19 19 19 19 19	0.11 0.37 0.92 1.88 3.31 5.21 384 P.m 40 584 P.m 40 184,889 204,168	0.39 0.82 1.52 2.55 3.93 5.69 0.962 Open int. 430,382 408,222
1.556 1.575 1.600 1.625 1.626 1.676 Previous day's II THEREE R	7,5; 5.1(2.77 1.00; 0.1; 0.0; vol., Cala Open 94,06 93,62 93,15	5 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	7.63 5.46 3.52 2.05 1.05 0.47 2.2380 . F 1.04 1.05 1.05 1.05 1.05 1.05 1.05 1.05 1.05	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o	0.6 0.7 0.7 2.4 4.0 pen Int pen Int 00183 of 52 1.6	111 118 16 16 199 Cafe 452 100% Low 94.04 93.60 93.13	0.11 0.37 0.92 1.88 3.31 5.21 384 Prim 40 Est. vol 184,899 204,168 127,007	0.39 0.82 1.52 2.95 3.93 5.89 0.962 Open vrt. 430,382 408,222 296,969
1.556 1.575 1.600 1.626 1.626 1.675 Previous day's THRESS R	7.5: 5.1(2.7) 1.0(0.1; 0.0; vol. Cala vol. Cala Open 94.06 93.62 93.62 93.65	5 7 7 7 7 7 8 2 9 4 6 2 9 6 6 2 9 6 2 9	7.83 5.46 3.52 2.05 1.06 0.47 2.2399 . F MLAR (M LAR (M -0.0 1 -0.0	7.85 5.88 4.09 2.65 1.66 0.95 hev. day's o 4.07 \$1 m p 11 94. 11 93. 14 \$1 m p	0.6 0.1 2.4 4.0 pan Int., points of gh .06 52 .15	M 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	0.11 0.37 0.92 1.68 3.31 5.21 384 Pun 40 184,899 204,168 127,007	0.39 0.82 1.52 2.95 3.93 5.69 1.962 Open int. 430,382 496,969
1.550 1.575 1.600 1.626 1.630 1.635 Previous day's THEREE B Dec Mar Auri	7,5; 5.1(2.77 1.00; 0.1; 0.0; vol., Cala Open 94,06 93,62 93,15	5 1 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	7.63 5.46 3.52 2.05 1.05 0.47 3.2330 . F	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o	0.6 0.7 2.4 4.6 pan Int., oints of gh .06 62 1.15	111 118 16 16 199 Cafe 452 100% Low 94.04 93.60 93.13	0.11 0.37 0.92 1.88 3.31 5.21 384 Prim 40 Est. vol 184,899 204,168 127,007	0.39 0.82 1.52 2.55 3.83 5.69 0.962 Open int. 430,382 408,222 298,969
1.550 1.575 1.500 1.625 1.630 1.630 1.675 Previous day's Marrian Marrian	7.5: 5.1(2.7) 1.0(0.1; 0.0; vol. Cala vol. Cala Open 94.06 93.62 93.62 93.65	5 7 7 7 7 7 8 2 9 4 6 2 9 6 6 2 9 6 2 9	7.63 5.46 3.52 2.05 1.05 0.47 3.2330 . F	7.85 5.88 4.09 2.65 1.66 0.95 hev. day's o 4.07 \$1 m p 11 94. 11 93. 14 \$1 m p	0.6 0.7 2.4 4.6 pan Int., oints of gh .06 62 1.15	71 11 16 16 16 16 17 100% Low 100% Low 100% 83.60 83.13	0.11 0.37 0.92 1.88 3.31 5.21 5.4 Pun 40 5.21 5.4 Pun 40 164,859 204,168 127,007	0.39 0.82 1.52 2.95 3.93 5.69 1.962 Open int. 430,382 496,969
1.550 1.575 1.570 1.625 1.625 1.630 1.675 Previous day's THREE R	7.5: 5.1(2.77 1.0(0.1: 0.0; vol. Cala SONTH E Open 94.06 93.05 93.15	5 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	7.63 5.46 5.42 2.05 1.05 0.47 a 23,399 . F ELLAR (M t Chan i -0.0	7.85 5.88 4.09 2.65 1.66 0.95 hev. day's o 4.07 \$1 m p 11 94. 11 93. 14 \$1 m p	0.6 0.7 2.4 4.6 pan Int., oints of gh .06 62 1.15	71 11 16 16 16 16 17 100% Low 100% Low 100% 83.60 83.13	0.11 0.37 0.92 1.88 3.31 5.21 5.4 Pun 40 5.21 5.4 Pun 40 164,859 204,168 127,007	0.39 0.82 1.52 2.55 3.83 5.69 0.962 Open int. 430,382 408,222 298,969
1.556 1.575 1.600 1.625 1.625 1.626 1.676 Previous day's THREE II Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Jun Jun Jun Jun Jun Jun Jun Jun Jun	7.5: 5.1: 2.77 1.0: 0.1: 0.2: vol. Calla Wolffel B 94.06 94.06 94.06 94.15	94.02 94.02 94.02 94.02 94.02 94.03 94.03 94.14 94.14 94.14	7.63 5.46 5.46 1.05 1.05 1.06 1.05 1.05 1.05 1.05 1.05 1.05 1.05 1.05	7.85 5.88 4.09 2.65 1.66 0.95 hev. day'e o 60, \$1m p 11 94, 11 93, 14, \$1m p	0.0 0.7 2.4 4.0 pan lat., oints of gh 	11 18 16 19 16 19 10 10 10 10 10 10 10 10 10 10 10 10 10	0.11 0.37 0.92 1.88 3.31 5.21 5.4 Pun 40 5.21 5.4 Pun 40 164,859 204,168 127,007	0.39 0.82 1.52 2.55 3.83 5.69 0.962 Open int. 430,382 408,222 298,969
1.556 1.575 1.600 1.625 1.625 1.626 1.676 Previous day's THREE II Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Dec Mar Jun Jun Jun Jun Jun Jun Jun Jun Jun Jun	7.5: 5.1: 2.77 1.0: 0.1: 0.2: vol. Calla Wolffel B 94.06 94.06 94.06 94.15	94.02 94.02 94.02 94.02 94.02 94.03 94.03 94.14 94.14 94.14	7.63 5.46 5.46 1.05 1.05 1.06 1.05 1.05 1.05 1.05 1.05 1.05 1.05 1.05	7.85 5.88 4.09 2.65 1.66 0.95 hev. day'e o 60, \$1m p 11 94, 11 93, 14, \$1m p	0.0 0.7 2.4 4.0 pan lat., oints of gh 	77 111 78 166 199 Casts 452. 100% Low 93.60 93.13 94.62 94.13 93.67	0.11 0.37 0.92 1.88 3.31 5.21 384 Puin 40 164,899 204,168 127,007	0.39 0.82 1.52 2.55 3.83 5.69 0.962 Open int. 430,382 408,222 298,969
1.550 1.575 1.570 1.625 1.630 1.625 1.630 1.675 Previous day's THREE R Dec Mar Jun B US TREA Dec Mer Jun AE Open Intere	7.5: 5.1(2.7) 1.0(0.1) 0.0; vol. Cala 94.02 93.02 93.15 SURRY IS 94.84 94.13	94.05 94.05 94.05 94.05 94.05 94.15 94.14 83.67	7.63 5.46 5.46 5.47 2.05 1.05 2.05 1.07 2.20	7.85 5.89 2.65 1.65 0.95 nev. day's o 199 11 94. 11 93. My \$1m pp 93. My \$1m pp	0.0 0.1 0.2 4.0 pan int. oints of gh .06 52 .15 er 100%	77 111 78 16 16 16 17 100% Low 94.04 93.60 93.13 94.62 94.13 94.52	0.11 0.37 0.92 1.68 3.31 5.21 384 Pum 40 184,89 204,168 127,007	0.39 0.82 1.52 2.95 3.93 5.69 1.962 Open int. 430,382 408,222 298,969
1.550 1.575 1.570 1.625 1.630 1.625 1.630 1.675 Previous day's THREE R Dec Mar Jun B US TREA Dec Mer Jun AE Open Intere	7.5: 5.1: 2.77 1.0: 0.1: 0.2: vol. Calla Wolffel B 94.06 94.06 94.06 94.15	5 7 7 7 7 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	7.63 5.46 5.46 1.05 1.05 0.47 2.3399. F LLAR (M Character (M) 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.0	7.85 5.89 2.25 1.65 0.95 1.05 1.05 1.05 1.05 1.05 1.05 1.05 1.0	0.0 0.7 2.4 2.4 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5	111 178 166 179 100% Low 100% Low 94.04 93.60 93.13	0.11 0.37 0.92 1.88 3.31 5.21 584 Pun 40 184,899 204,193 127,007	0.39 0.82 1.52 2.95 3.93 5.69 0.962 Open int. 430,382 408,222 298,969
1.550 1.575 1.575 1.500 1.625 1.630 1.625 1.630 1.675 Previous day's THEREE B US TREAT LUS TREAT	7.5: 5.1(2.7) 1.0(0.1) 0.0; vol. Cala 94.02 93.02 93.15 SURRY IS 94.84 94.13	94.05 94.05 94.05 94.05 94.05 94.15 94.14 83.67	7.63 5.46 5.46 5.47 2.05 1.05 2.05 1.07 2.20	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o 60 840 811 93. 340 \$1m p 94. m points o Mar 0.13	0.0 0.0 0.7 24.4 4.4 poin let., 50 008 62 15 64 14 Nov 100%	111 78 86 879 Costs 452. 100% Low 94.04 93.60 83.13 94.62 94.13 92.67 Dec 0.07	0.11 0.37 0.92 1.88 3.31 5.21 384 Puts 40 184,899 204,168 127,007 1,503 409 18	0.39 0.82 1.52 1.52 2.95 3.93 5.89 0.962 Open int. 430,382 296,969 18.158 10,883 5,845
1.556 1.575 1.575 1.625 1.625 1.625 1.626 1.626 Previous day's THREE R Dec Mar Aur B US TREA EUROMA Strike Prica MAT Open Interes FURCOMA	7.5: 5.1(2.7) 1.0(0.1: 0.1: 0.1: 0.1: 0.1: 0.1: 0.0: 94.06 93.62 93.62 93.63 94.13	94.05 94.05 94.05 94.05 94.14 94.14 94.14 94.14	7.63 5.46 5.46 1.05 1.05 1.06 1.06 1.06 1.06 1.06 1.06 1.06 1.06	7.85 5.88 4.09 2.65 1.66 0.95 hev. day's o 60, \$1m p ge Hi 11 94, 11 93, 14) \$1m p 94, 94, 94, 94,	0.0 0.0 0.7 24.4 4.4 ppen int., 500 and 500 an	100% Low 93.80 100% Low 94.62 94.13 94.62 94.13 94.62 94.13	0.11 0.37 0.92 1.88 3.31 5.21 384 Pub 40 164,899 204,168 127,007 1,503 409 18	0.39 0.82 1.52 2.95 3.93 5.89 0.962 Open int. 430,382 498,282 296,969
1.550 1.575 1.575 1.575 1.625 1.625 1.626 1.626 1.676 Provious day's THREE R Dec Mer Aur LUS TREE LUS	7.5: 5.1: 2.7: 1.0: 0.1: 0.1: 0.2: vol. Cala 94.02 93.02 93.02 93.15 SURRY III 94.13	94.050 94.050 94.05 93.15 94.14 94.14 94.14 94.14 90.14 90.01	7.63 5.46 5.46 5.40 1.05 1.05 1.05 1.05 1.05 1.05 1.05 1.0	7.85 5.89 2.25 1.65 0.95 1.95 1.95 1.95 1.95 1.95 1.95 1.95 1	0.0 0.7 2.4 4.6 2.4 2.6 2.6 2.6 2.6 2.6 2.6 2.6 2.6 2.6 2.6	111 78 86 86 879 Cods 452. 100% Low 94.04 83.60 93.13 94.62 94.13 93.67 Dec 0.07 0.22 0.44	0.11 0.37 0.92 1.68 3.31 5.21 364 Pum 40 194,898 127,007 1,503 408 18 18 18 18 18 18 18 18 18 1	0.39 0.82 1.52 2.95 3.93 5.69 1.962 Open int. 430,382 408,222 296,969 18.158 10,583 5,845 Mar 0.34 0.52 0.73
1.556 1.575 1.575 1.625 1.625 1.625 1.626 1.626 Previous day's THEREE R Dec Mar Jun E US TREAT E US TREAT Serice 1.675 1.670 1.675 1.676 1.	7.5: 5.1(2.7;7 1.00 0.1: 0.1: 0.1: 0.1: 0.1: 0.1: 0.1:	57777777777777777777777777777777777777	7.63 5.46 5.46 1.05 1.05 1.05 0.47 2.3399. F LLAR (M LURES (IM L	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o 60 840 51m p 94 11 94 1	0.0 0.0 0.7 24.4 4.4 pon ivit., 5000000000000000000000000000000000000	111 178 166 167 179 179 179 179 179 179 179 179 179 17	Est. voi 184,899 204,168 127,007 1,603 408 127,007	0.39 0.82 1.52 2.95 3.93 5.69 1.962 Open int. 430,382 408,222 296,969 18.158 10,583 5,845 Mar 0.34 0.52 0.73
1.556 1.575 1.575 1.625 1.625 1.625 1.626 1.626 Previous day's THEREE R Dec Mar Jun E US TREAT E US TREAT Serice 1.675 1.670 1.675 1.676 1.	7.5: 5.1(2.7;7 1.00 0.1: 0.1: 0.1: 0.1: 0.1: 0.1: 0.1:	57777777777777777777777777777777777777	7.63 5.46 5.46 1.05 1.05 1.05 0.47 2.3399. F LLAR (M LURES (IM L	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o 60 840 51m p 94 11 94 1	0.0 0.0 0.7 24.4 4.4 pon ivit., 5000000000000000000000000000000000000	111 78 166 167 179 179 179 179 179 179 179 179 179 17	0.11 0.37 0.92 1.88 3.31 5.21 384 Puin 40 184,899 204,168 127,007 1,503 409 18 Jan 0.29 0.49 0.49 0.49 196224	0.39 0.82 1.52 2.95 3.93 5.69 1.962 Open int. 430,382 408,222 296,969 18.158 10,583 5,845 Mar 0.34 0.52 0.73
1.550 1.575 1.570 1.625 1.625 1.630 1.625 1.630 1.675 Previous day's THREE R Dec Mar Jun BE US TREA BELROMA Strike Price 8000 8625 8621 8621 8621 8621 8621 8621 8621 8631 8631 8631 8631 8631 8631 8631 863	7.5: 5.1(2.77 1.0(0.1) 0.1) vol. Cala 94.02 93.15 94.64 94.13 94.64 94.13	94.02 94.03 94.03 94.03 94.14 93.15 94.14 93.16 94.14 93.17 94.14 94.14 94.14 94.14 94.14 94.14 94.14	7.63 5.46 5.46 5.40 1.05 1.05 1.06 1.06 1.06 1.06 1.06 1.06 1.06 1.06	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o 60 60 33 60 51m p 60 60 60 60 60 60 60 60 60 60 60 60 60	0.0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0	11 178 166 169 166 169 166 169 169 169 169 169	0.11 0.37 0.92 1.88 3.31 5.21 384 Puts 40 184,899 204,168 127,007 1,503 409 18 18 18 18 18 18 18 18 18 18	0.39 0.82 1.52 2.95 3.93 5.89 0.962 Open int. 430,382 296,969 18,158 10,883 5,845 Mar 0.34 0.52 0.73
1.550 1.575 1.575 1.625 1.625 1.625 1.625 1.675 Previous day's THEREE R Dec Mar Jun BEUROMA SEUROMA	7.5: 5.1(2.7;7 1.00 0.1: 0.1: 0.1: 0.1: 0.1: 0.1: 0.1:	94.02 94.03 94.03 94.03 94.14 93.15 94.14 93.16 94.14 93.17 94.14 94.14 94.14 94.14 94.14 94.14 94.14	7.63 5.46 5.46 1.05 1.05 1.05 0.47 2.3399. F LLAR (M LURIES (IM	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o 60 840 51m p 94 11 94 1	0.0 0.0 0.7 24.4 4.4 pon ivit., 5000000000000000000000000000000000000	11 178 166 169 166 169 166 169 169 169 169 169	0.11 0.37 0.92 1.88 3.31 5.21 384 Puin 40 184,899 204,168 127,007 1,503 409 18 Jan 0.29 0.49 0.49 0.49 196224	0.39 0.82 1.52 2.95 3.93 5.69 1.962 Open int. 430,382 408,222 296,969 18.158 10,583 5,845 Mar 0.34 0.52 0.73
1.550 1.575 1.570 1.625 1.625 1.630 1.625 1.630 1.675 Previous day's THREE R Dec Mar Jun BE US TREA BELROMA Strike Price 8000 8625 8621 8621 8621 8621 8621 8621 8621 8631 8631 8631 8631 8631 8631 8631 863	7.5: 5.1(2.77 1.0(0.1) 0.1) vol. Cala 94.02 93.15 94.64 94.13 94.64 94.13	94.02 94.02 94.03 94.03 93.15 94.14 83.67 10 Dec 0.14 0.04 0.00	7.63 5.46 5.46 5.40 1.05 1.05 1.06 1.06 1.06 1.06 1.06 1.06 1.06 1.06	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o 60 60 33 60 51m p 60 60 60 60 60 60 60 60 60 60 60 60 60	0.0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0	Print	0.11 0.37 0.92 1.85 3.31 5.21 384 Puts 40 204,168 127,007 1,503 408 18 18 18 18 18 18 18 18 18 1	0.39 0.82 1.52 2.55 3.93 5.89 0.962 Open tri. 430,382 408,222 298,969 18.158 10,583 5,845 Mar 0.34 0.52 0.73
1.550 1.575 1.575 1.500 1.625 1.625 1.625 1.625 1.626 Previous day's THEREE R Dec Mer Jun At Open Intere EUROMA Strike Price 9475 9500 9625 Strike Price 9575 9600	7.5: 5.17 2.77 1.00 0.18 0.19 0.10 0.10 0.00 94.06 94.06 94.15 94.13 94.13 94.13 94.13 94.13 94.13 94.13 94.13	7, 223 Pue 2, 223 Pue	7.63 5.46 5.46 1.05 1.05 1.06 1.07 1.08 1.08 1.08 1.08 1.08 1.08 1.08 1.08	7.85 5.86 4.09 2.65 1.66 0.95 hev. day's o 2.67 1.93 3.47 5.1m p 3.48 4.1 93 4.1 93 4.1 1.9	0.0.0 0.0 0.0 2.2 4.4 pen int., 50 0.06 62 1.5 0.09 0.03 0.19 0.03 0.19 0.03 0.19 0.03	111 178 166 167 179 179 179 179 179 179 179 179 179 17	0.11 0.37 0.92 1.88 3.31 5.21 384 Puin 40 184,899 204,168 127,007 1,503 409 18 Jan 0.29 0.49 0.49 0.49 0.49 0.49 0.49 0.49 0.29 0.49 0.49 0.49 0.49 0.49 0.49 0.49 0.40 0.50 0.50 0.50 0.50	0.39 0.82 1.52 1.52 2.95 3.93 5.89 0.962 Open int. 430,382 298,969 18.158 10,883 5,845 Mar 0.34 0.52 0.73
1.556 1.575 1.575 1.690 1.625 1.690 1.625 1.690 1.675 Pravious day's II THEREE II Dec Mar Jun III US TREAT Dec Mar Jun III US TREAT Dec Mar Jun All Open Interes III EUROMA Strike Price Strike Price Strike Price Strike Price Strike	7.5: 5.17 2.77 1.00 0.18 0.18 0.19 94.06 93.05 93.15 94.84 94.13 94.13 94.13 94.13 94.13 94.10 0.01 0 Calc 1145 FFM 0.03 0.03	94.02 94.02 94.03 93.15 94.14 93.15 94.14 90.04 90.04 90.04	7.63 5.46 5.46 5.47 2.05 1.05 0.47 2.2399 . F MLLAR (M t Char 1 -0.0 1	7.85 5.86 4.09 2.65 1.66 0.95 1.95 1.95 1.95 1.95 1.95 1.95 1.95 1	0.0 0.1 0.1 2.4 4.4 pen int., 100% 68 82 16 87 100% 84 14 Nov 100% 84 14 Nov 100%	77 11 17 18 16 16 19 100% Low 94.62 94.13 94.62 94.13 94.62 94.13 94.62 94.13 94.62 94.13 94.62 94.13	0.11 0.37 0.92 1.88 3.31 5.21 384 Puts 40 184,899 204,168 127,007 1,503 409 18 0.29 0.49 0.72 Puts 186224 4 PUTS ~~ Mgr 0.30 0.50 0.73	0.39 0.82 1.52 2.55 3.93 5.89 0.962 Open tri. 430,382 408,222 298,969 18.158 10,583 5,845 Mar 0.34 0.52 0.73

While you are rushing ahead of your competitors ▼ ▼

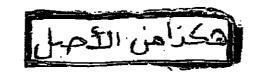
1.6322 -0.5



we take care of your banking requirements.

As you know, the prompt and reliable services of Hamburgische Landesbank are also available to you in London. We can offer you a wide range of competitive banking products with speedy responses to your requests. In addition the know-how of a major German bank for your enterprises and business ideas is at your disposal. Come and talk to us if you are looking for a bank that works fast and hates red tape. Mr. McColl would welcome your call. Hamburgische Landesbank. Your individual consultant.





in EMBER

ve take can

iquiremen!

enditorial

A TOTAL CONTRACTOR

1971 1.7 | File |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
1971 1.7 |
+.05 3.70 +.07 2.74 -- 4.72 -- 9.98 +.04 8.50 +.05 2.85 +.06 5.55 +.07 5.22 +.04 3.72 570 340 18.15
789 350 18.15
789 350 18.15
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251
789 350 251 4070 7.8100 7.81 358 550 402.30 121.30 121.30 121.30 121.30 121.30 117.72 483 122.20 122.20 132.20 122.20 122.20 122.20 122.20 122.20 122.20 122.20 122.20 122. Addistrict
Advantil
Arbed
Bill
Bidnity
Bill
Bidnity
Bentle
Berte
Berte
Colff
C 1.55500 1.2500 1.55500 According to the control of the cont Change on day +4 +2 +10 +13 +6 ASF ACCOT ACUA ACUA ACUA BIC BICP BROPE BROPE BROPE BROPE CONTROL CONT

Any time any place any share...

Instant access to up-to-the-minute share prices from anywhere in the world

Whether you're doing business in Berlin or hatching deals in Hong Kong, FT Cityline International can link you with all the UK stock market information you need:

real time share prices

daily unit trust prices

updated financial reports

personal portfolio facility

FT Cityline has proved invaluable to business people and investors in the UK for years. And now it is available from anywhere in the

If you would like further details fill in the coupon below or call the FT Cityline Help Desk on (071) 873 4378.

FT Business Enterprises Limited, Number One Southwark Bridge, London SE1 9HL Registered in England Number 980896.



5 +44 2.544 1.122 Stocal
5 +45 7.544 1.122 Stocal
6 +55 7.503 4.071 1.5 Stocal
7 +55 4.520 5.05 1.1 Stocal
7 +55 5.05 5.05 1.2 Stocal
7 +55 5.05 5.05 1.2 Stocal
7 +55 5.05 5.05 1.3 Stocal
7 +55 5.05 7.50 1.3 Stocal
7 +55 5.05 7 +30 1,770 1,700 0.8
+32 470 1,700 1.8
+32 471 377 378 471 1,700 1.8
+43 470 1,700 4,700 1.8
+44 470 1,700 4,700 1.8
+45 470 1,700 1,700 0.5
+30 1,470 1,700 0.5
+30 1,470 1,700 0.5
+30 1,470 1,700 0.5
+30 1,470 1,700 0.5
+30 1,470 1,700 0.5
+30 1,470 1,700 0.5
+30 1,470 1,700 0.5
+30 1,470 1,700 0.5
+30 1,470 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0.5
+45 420 1,700 0. - Fleaty
- Fleaty
- Fleaty
- Fleaty
- Fleaty
- General
- First
- General
- First
- Fir 2,530 450 450 965 4,250 1,570 845 2,520 2,520 2,520 1,420 1,420 1,420 1,210 1,190 1,190 1,100 US INDICES ** ** ** INDICES EEEEON Low 3930 66 3875 15 3848 23 3978.36 3593.35 (31/1) (444) 41.22 (27/32) Mindea PC (Nov 1978) ad 19507.79 19180.17 25478.49 16/2 Notherhand CBS Technologies 83 CBS All Shr (End 83) 54 99 (1/10/81) 109.77 (18/10/93) 1495.32 1470.87 1882.29 1438.50 (2/2) Esrli) 178.16 177.04 227.06 175.85 (3/1) (20/8) 12.32 RV7/32) 10.50 RV4/32) 1882.29 (2/3/94) 256.46 (31/8/93) Now Zeeland Cap. 40 (1/7/88) 1945-51 11/7 Pisilippines Merika Como (2/1/6) 462.62 482.00 438.52 482.08 (22.74) (22.74) 551.13 563.10 510.05 583.10 (28.70) (21.4) (28.70.94) 4.40 (1.66/32) 3.60 (21.66/82) 554.28 551.13 563.10 £8/10, 8.64 (1/10/74) 2843 255.57 253.91 267.71 343.14 (2/3) (4/4) 4,46 (25/4/43) JSE Incl. (289) 487.89 (2/2/94) 803.93 (18/3/94) #22.67 (28/6) 853.79 (24/6) 767 47 763.24 ■ RATIOS 19400 1987 250 (\$1/12/00) CAC 40(\$1/12/07) Oct 28 2.70 Oct 26 Oct 21 2.72 Oct 19 Year ago 2.77 Oct 14 271 277 Oct 12 fear ago DAX (30/12/87) STANDARD AND POORS 500 INDEX FUTURES \$500 times index. Latest Change 476.05 -0.15 479.40 -483.25 -High Low Est vol. Open Int. 476 90 475.90 101,491 220,715 1,798 13.727 283 3,450 1337.14 1336.81 1303.20 1540.19 31/1 1184.85 1175.34 1154.30 1311.61 27 (4) 335.80 334.66 385.18 51 MEW YORK ACTIVE STOCKS II TRADING ACTIVITY 1136.48 5/10 290.28 21/3 Clase Change price on day Oct 28 Oct 27 Oct 26 6.304,100 40%
5.151,000 40%
3.840,400 38%
2.442,500 17%
3.248,000 6%
3.234,500 18%
3.216,300 33
2.873,300 29%
2.873,700 29%
2.708,700 75% 381.350 307.810 322.508 17.302 23.474 16.043 E CAC-40 STOCK INDEX FUTURES (MATIF) October 28 Est vol. Open int NYSE Issues Traded Rises Falls 18869.60 18805.16 18796.36 21882.81 136 290.50 286.79 287.14 311.71 136 1884.86 1887.82 1568.44 1712.73 136 2191.05 2190.06 2191.74 2542.85 67 2,885 977 1,210 698 191 1864.0 1870.0 1958.0 1915.0 +37.0 +50.0 1895.0 1918.0 1860.0 33,376 11,281 1866.5 27,284 20,302 17300.74 4/1 258.22 4/1 1445.97 4/1 USX Marath Sprint Telefonos 1924.5 +50.5 1875.0 611 1108.85 1118.04 T101.74 1314.46 5/1

Change your Future.

94 95 95 144 System 66 -2 110 System 66 -2 110 Triello 111 +1 126 Volvos 141 +2 50 158 Volvos 142 +2 175 SWITZSKLAND (Oct 31 / Frs.)

Easy swop out from your existing pager provider.

0800 28 28 26

PULSE

Call 0800 28 28 26 Ext. 135 today.

THE PY SEC CROSS PORTS
OF THE ENGINEERS CROSS PORTS
OF THE STATE OF TH

1984 18gh Low Steat 27⁵g 18⁷g Korea Fd 26⁷g 19³g Korga 26¹g 24¹g Kill Energy 19³g 14¹g Kightman Co 183¹g 104 Nyocaa CP 27¹g 15 Rysor Inch

YORK STOCK EXCHANGE COMPOSITE

1994
1095 Low Stock
63-1-21-7-6 Gride Gil
79 56-1-6 Gride Gil
79 56-1-6 Gride Gil
79 56-1-6 Gride 77 72
18-1-113 Gerber Sci
12-1-10-3-6 Gerour Fol
12-1-10-3-6 Gerour Fol
12-1-10-3-6 Gerour Fol
14-1-8-1-6 Gerour Gov
14-1-5-7-7-6 Gilbox x
12-1-15-7-7-6 Gilbox x
12-1-15-7-7-6 Gilbox x
12-1-15-7-7-6 Gilbox x
12-1-15-7-7-8 Gilbox x
12-1-15-7-7-8 Gilbox x
13-1-15-7-8 Gi

- H -

- D -

Charles the state of the | Tell | W | See | Fight Low Stack
17-5 12-4 AMR x
17-5 12-4 AMR x
17-5 12-4 AMR x
17-5 57-5 AMR
17-5 48-7 AMR
22-25-5 AMR
22-25-5 AMM Pr
22-5 17-5 AMM Pr
22-5 17-5 AMM Pr
22-5 17-5 AMM Pr
22-6 17-5 AMM Pr
18 11-2 AMM Pr
18 11-2 AMM Pr
18 11-2 AMM Pr
18 11-3 AMM Pr
11-5 11-5 AMM Pr
11-5 11-5 AMM Pr
11-5 11-5 AMM Pr
11-5 11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM Pr
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-5 AMM PR
11-8-14, Account 1144, Account 1144, Account 1144, Account 1154, Account 11554, A 2.05 % 0.26 4.1 1.54 9.1 5.50 5.1 0.24 3. 0.16 0.10 0.10 0.10 0.44 1.0.60 1.0.0

· B -

** **** 化光子 水林 人 水子的 经经济工作股份

- C -구: +구: - 구: - 기: +³3 +¹4 +³1 والمراباطي والمواوات المواو المواوه المراو المواوة والمواود والمواود والمواود والمواود والمواود والمواودة 化设计设计分词 好好 七 大大大大 子宫大小

44444444 -5g المطافية المناجئة المام المناد 171-2 4-5 ECC intil
1814-5 ESSE IX
1 计上语法语语言的证据法 人名英格兰斯斯特 计数字的表示文件

+58

4% 2% FA losur

185, 115, Pebrilicat 3.8 65, 115, Pebrilicat 3.8 65, Pebrilia 3.9 2015, Pebrilia 3.9 2015, Pebrilia 3.9 215, Pebri

Carry Prov. Carry Prov. Carry Prov. Carry Prov. Carry Prov. Carry Prov.
1884 High Law Stock 37 32⁷3 Crisiin 11⁷5 B-Is CV Fish 13⁷4 7⁷5 Cytes Spa 25⁷2 13⁷5 Cytes 33⁷3 25⁷5 Cytes 41⁷5 12⁷5 Cytes

- E -+14 -14 -14 -14

12.12 14.13.14 ولب

19% 134, HSQ Homes
22% 16 HX for ADR
154, 13% HSQ Homes
34, 27 Hadden
34, 2 Hadden
39% 27% Halbun
59g 2 Halbun
59g 2 Halbun
19 67 Hoock Inc
24% 18% Hoock Inc
24% 18% Hoock Inc
24% 18% Hoock Inc
24% 18% Hoock Inc
24% 19% Harran
25% 23% Horson
25% 27% Harran
25% 23% Harran
25% 23% Harran
25% 23% Harran
25% 23% Harran
25% 25% Harran
25% 35¹2 225²8 BP Int. 0.20 0.8 21 1910 34¹4 33¹5 34¹5 137²6 ECH Pharm. 11 288 11¹4 11¹2 11¹5 49-2 411-2 18-w7-2-56
28 21-4 18 P-42-2
28 21-4 18 P-42-34
28 21-4 18

÷15 -1₈

- J -

- K -

45% 17% J Reer Pf
45 37% J Reer L
14% 7% Jackey Tex
26% 19% Jackey
14% 26% Jackey
14% 26% Jackey
14% 26% Jackey
14% 26% Jackey
10% 26% Jacke

221-4 KLM R Dich 267-5 21-4 KLM R Dich 267-5 21-4 KR ST KS 12-4 269-5 237-5 Karedo P P X 259-7 12-5 Karedo P P X 259-7 12-5 Karedo P P X 259-7 12-5 Karedo P P X 259-1 12-5 Karedo P 1 251-5 23-5 Kare

Total State of the
ي.

444

治性治疗性 古古古诗

10-12 9 Mesters inc
55 45 Mester 230
40-12 145 Mester 230
40-12 145 Mester 230
10-12 7-12 Mest
10-12 7-12 Mest
10-13 7-12 Mest
10-14 4-12 Mester 10-14
4-15 Mester 10-14
5-15 Mester 10-15
5-16-15 Mes

8 51-2 R.R. Nb
27-1 201-9 R.U. Carp
15 91-2 R.U. Carp
15 91-2 R.U. Carp
15 91-2 R.S. Really
201-3 31-2 Restore
201-3 21-3 Restore
21 11-3 Restore

201, 147₆ S Anta Rt 13 101₃ SCOR US Cp 271₃ 184₅ SYS Te 144₅ 127₅ Schedum Rt 201, 131₄ Safector 171₂ 111₂ Safector 171₂ 112₄ Stor 171₅ 112₄ Stor 171₆ 112₄ Stor 171₆ 112₄ Stor 171₆ 112₄ Stor 172₆ 41₅ Safector 172₆ 41₅ Safector 172₆ 47₅ Safector 172₆ 47₅ Safector 172₆ 47₅ Safector 172₆ 47₅ Stor 173₆ 25 Stort 27₅ 45 37₄ SPaul

- S -

我是我是我的人 我我 我我 我们 我们的 我们我的有好的的人

されることなって

古代 计分子

1.20	2.5	14	274	474	474	474
1.20	1.8	16	59	594	585	59
0.66	1.2	15	59	594	595	59
0.66	1.8	15	50	224	224	224
0.22	2.2	1670	144	144	144	
0.20	4.0	10	290	497	494	494
0.20	4.0	10	290	497	494	494
0.21	2.5	56	314	347	354	
0.44	2.7	25	307	274	274	
0.44	2.7	25	307	274	274	
0.44	2.7	25	307	274	274	
0.44	2.7	27	27	27		
0.44	2.7	27	27	27		
0.44	2.7	27	27	27		
0.44	2.7	29	29	29		
0.48	3.3	37	29	29	29	
0.48	3.3	37	29	29	29	
0.48	3.3	37	29	29	29	
0.49	3.3	37	29	29	29	
0.40	1.8	4	5	177	274	29
0.40	1.8	4	5	177	174	175
1.80	4.0	17	78	274	274	274
1.80	4.1	1	288	194	145	145
1.80	4.1	28	24	27	27	27
1.80	4.1	1	28	194	195	195
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	1	28	194	194	194
1.80	4.1	27	27	27	27	27
1.80	4.1	28	49	24	24	
1.80	2.8	49	22	147	147	148
1.80	4.1	28	29	29		
1.80	4.1	28	49	24	24	
1.80	4.1	28	49	24	24	
1.80	4.1	28	49	24	24	
1.80	4.1	28	49	24	24	
1.80	4.1	28	49	24	24	
1.80	4.1	28	49	24	24	
1.80	4.1	28	49	24	24	
1.80	4.1	28	49	24	24	
1.80	4.1	49	49	49		
1.12	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1	4.1		
1.80	4.1	4.1	4.1			
1.80	4.1	4.1	4.1			
1.80	4.1	4.1	4.1			
1.80	4					

334 33 PHH 311 234 PHC P1 124 234 PHC P1 144 932 P5 Group 162 134 PHC P1 163 PHC P

\$\text{24}\text{51}\text{52}\text{51}\text{52}\text{52}\text{53}\text{53}\text{54}\text{51}\text{52}\text{51}\text{52}\text{52}\text{52}\text{52}\text{52}\text{53}\t 计设计 计设计分析 计分子分析

mgh Lew Stant
17 Ju 14-1 Nu Ca him
18-5 14-4 Nu Ca him
18-5 14-5 Nu Ca him
72 48-5 Nu Ca Corp
28-5 14-2 MI Carp
17-9 14 Nur Cal
13-5 11-2 Nervora II
17 13-5 Nurvon II
17 13-5 Nurvon II
18-5 14-5 Nurvon II
18-5 14-5 Nurvon II
18-5 13-6 Nurvon II
18-5 14-6 Nurvon II
1 -0-- P - Q -

그₈

AME

Have your

÷,

Financial Tim

CORINTHIA PALACE When you stay with us in VALLETTA (Maita)

عكدامن الأحا

ᆦ

- Q -

POLEWBIS 1

Control of the Contro

STRANCIAL THES TUESDAY NOVEMBER 1999 ** Production to gradual the second stage of the NYSE COMPOSITE PRICES **NASDAQ NATIONAL MARKET** 4 pm alose October 31 4 pm clase October 31 Stack 19. F 1900 Right Leve Land Steep And Stack 19. F 1900 Right Leve Land Steep And Stack 19. F 1900 Right Leve Land Steep Controlled And Stack 19. C 1 W Sta Bits E 100m Night Low Land Chang 4820482 u451₂ 431₂ 441₂ +7₃ 0.30 27 1052 311₂ 31 31 97 Sh. 1960, E 1800 High Lour Land Chang 77 Sts Str. E 1986 Might Love Look Chang Stants PV SEC Stock Dir. E 1800: Might Lawr Lant Glass Steek ABS lads ACC Corp - R -14 450 184 154 154 3 515 4 3 515 42 42 42 42 4 44 4 44 25 485 20 194 184 -3 Rainbow Railys Restamps Raymond Alecoton 17 200 19 18¹2 19 22 170 23¹8 23¹2 23¹2 ReLife A Repligen Rep Waste A STATE OF THE STA Anthorn Co. 20 20 20 20 25 15, 151, 214, 174, 175, Acques for a Co. 20 20 20 25, 25 15, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, 25 24, April Birt. 35 900 95 54, 51 152, 25 24, 25 24, April Birt. 35 900 95 54, 25 24, 25 24, April Birt. 35 900 95 54, 25 24 5 598 3¹4 3 3 -¹4 T-Cell Sc T.rome Pr 0.52 21 2124 3412 3234 3414 +1 | 144, 127g Uniffered | 102 | 167 | 137 | 134, 139, 134, 149, 20 | 339 Uniffered | 32 | 239 | 399 | 39 | 394, 498, 343, 225 | 138 | 122 | 1399 | 30 | 3014, 59 | 138 | 157g Uniffered | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | BSSI SINCIP USBI 9 33 27% 26% 27% +1 BT Shippy 048 5 144 3 2% 3 +1/4 Buffets 15 4311 1034 1034 103₈ -1₄ Buffets 15 4311 1034 1034 103₈ -1₄ Buffets 17 5 59 1112 dti 1114 +1₈ Buffets 46 275 14 134 135₈ -1₄ Buffets 65 9 3412 3412 3432 136 Buffets 65 9 3412 3412 3432 3432 -3 Buffets 65 8 144 3412 3334 3412 -3 Buffets 75 8 144 3412 -3 Buffets 75 8 144 3412 -3 Buffets 75 8 144 3412 -3 Buffets 75 8 8 144 3412 -3 Buffets BT Shiping Buffets BuildersT NAC Re 0.16 11 2008 26 2534 2578 Nash Fhich 0.72 10 24 164₈d1534 16 -1₈ Nat Compt 0.36120 127 141₂ 14 141₂ +1₈ | New York - C -**AMEX COMPOSITE PRICES** 4 pm clase October 31 PY Sta Stock Div. E 100a High Low Close Chag Perini 0.80 18 49 105g 1012 1012 Pettiffw6 1.54 9 2 175g 175g 175g Phil ID 0.24 16 2402 601g 891g 8912 Photony A 0.50 19 82 355g 381g 3612 Photon 0.12 28 177 2714 2714 2114 11g PMC 0.84 15 20 137g 137g 137g 137g Preside 0.10 0 5 1 1 1 Regardered 36 2700 331g 331g 331g 137g RBSW Cp 4 210 734 734 734 734 | P/ Site | Shock | Diss. E 200ts | Sigh | Low Clause Chang | HithCrisa | 1 | 132 | 113 | 114 | 114 | 12 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 1 3 77 55 512 512 14 21 213 14 1324 14 14 16 22 312 315 33 13 18 778 1578 1514 1514 14 69 110 518 518 518 14 Jan Sell Ketema Kinark Cp Kirby Sep Kogrifit OCTURATELYS: 18 319 11½ 10½ 11½ +1 Octate Corn: 17 1421 27½ 21½ 21½ 21½ 1½ Other Corn: 18 319 11½ 10½ 11½ 11½ Other Corn: 18 319 11½ 10½ 11¾ Other Corn: 18 319 11½ 10½ 11¾ 18 12½ 10¾ Other Corn: 18 319 11½ 10½ 11¾ Other Corn: 18 11½ 10½ 10¾ Other Corn: 18 11½ 11¾ 11½ 11¾ Other Corn: 18 11½ 10¾ Other Corn: 18 11½ 11¾ Other Corn: - 0 -8 105 13 14 14 +4 15 116 54 55 54 42 4 10 2 12 2 45 214 18 125 124 125 9 8 312 314 314 4 | Sing Plant | 4 | 228 | 224 | 224 | 225 | 225 | 187 | TimA | 0.58322 | 623 | 224 | 227 | 227 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | 187 | Vacous Vacous Westerki WRET Worthen 28 2095 405₈ 397₈ 401₈ +1₈ 15990 391₂ 381₄ 391₄ -1₂ 78 8222 111-8 67 103₄ 103₄ 1.12 17 579 121₈ 121₈ 121₄ 2680 13 30 287₄ 281₄ 285₈ +1₄

Comercel 60 135 2414 2419 1419
CritinData 162 3930 678 678 674 612
Coorse 0.50 18 1455 1712 1678 1714 +18
Coopens 34 54 578 478 478 178
25 2468 5614 5714 5718 18 Coopes 4 0.50 18 1455 17/2 10 g 17/4 + 18 Coopes 34 54 5½ 47g 47g 12 Cords CD 25 2468 56½ 57½ 57% 5 6 Corp Of A 47 1300 17 16½ 17 Cracker 8 0.02 26 2545 22½ 21½ 22 - ½

Cray Comp 1 959 132 114 132 Crown Res 35 285 574 578 578 +14 Cytogen 2 270 374 372 312 -14

Have your ET Hand delivered in asweileji.

Gain the edge over your competitors by having the Financial Times delivered to your home or office every working day. Hand delivery services are available for all subscribers in the business centres of Gothenburg, Lund, Malmo and Stockholm (including Djursholm, Danderyd and Stocksund). Please call (08) 791 23 45 for more information.

Financial Times. Europe's Business Newspaper.

midsession on profit-taking

Wall Street

US share prices were mostly lower yesterday morning as equity investors regrouped after Friday's big gains, writes Frank McGurty in New York.

By 1 pm, the Dow Jones Industrial Average was down 5.04 at 3,925.62, while the more broadly based Standard & Poor's 500 was up a scant 0.19 at 473.96.

On the NYSE, advancing issues were outnumbering declines by an 11-to-nine mar-

Activity eased from Friday's heated pace, with a moderate 176m shares traded by early afternoon. In the other leading markets, the American SE composite was 0.27 better at 458.43, while the Nasdaq composite dipped 0.04 to 776.11.

Early in the day, profit-takers came to the fore on the heels of Friday's 55-point surge by the Dow industrials. Bonds were a little lower, following a big advance of their own. The day's economic news came in fairly close to expectations and had little impact on sentiment.

reported a small increase in personal spending and income during September, while the Purchasing Management Association of Chicago said that both of its October index of business activity and the prices-paid component of its monthly survey had risen.

Investors took little notice of either development, with attention centred on today's national survey of purchasing management and Friday's crucial data on conditions in the labour market.

Among the Dow components, Philip Morris was marked down \$2% to \$61% in heavy volume of nearly 4m shares. A Florida court ruled in favour of allowing any smoker who fell ill because of nicotine addicaction suit against cigarette

Shares in RJR Nabisco, another big tobacco company, dropped \$% to \$6%. Sellers were influenced by the additional news that RJR planned to divest 19 per cent of its food operations in a stock offering and would drop its plan to acquire a minority stake in Borden, down \$1/4 at \$131/4.

In pharmaceuticals, Pfizer gained \$1% to \$74% after agreeing to acquire Namic USA. a medical equipment supplier, in a deal valued at \$158m. Namic surged $$3_{16}^{12}$, or 28 per cent, to $$17_{16}^{7}$ on the Nasdaq.

Toronto was mixed in listless midday trading as rising golds and pipelines vied with losing industrial products and media for dominance. The TSE 300 composite index was just 1.79 higher at 4,290.41 by noon.

The precious metals group jumped 0.9 per cent, defying a downward slide in gold prices, as American Barrick Resources rallied on better than expected third quarter results. Barrick picked up C\$% to C\$32%.

The industrial products group lost 0.9 per cent as Methanex and Newbridge Networks posted sharp losses.

Shares in São Paulo were off 1 per cent in moderate midday trade as higher interest rates triggered profit-taking. The Bovespa index had fallen 468 to 48,808 by 1 pm in turnover of R\$113.1m (\$133.8m).

Brokers said that higher interest rates, combined with worries about inflation, had prompted domestic and foreign investors to cash in profits after the market had risen by 13.4 per cent over the last four sessions.

	MARKE	ts in	PERSP	ECTIVE		
	**	thunge in loca	il conescy †		% change sturing t	% change in US 8 †
	7 Week	4 Weeks	1 Year	Start of 1994	Start of 1994	Start of 1994
Austria	+0.37	-4.34	-8.48	-14.65	-10.67	-1.98
Belgium	-0.18	-0.09	-4.11	-10.70	-5.21	+4.01
Denmark	-2.21	-2.37	-6.43	-11.35	-6.99	+2.06
Finland	+1.13	+5.66	+28.63	+29.14	+48.04	+62,44
France	+2.75	+0.60	-11.22	-15.21	-11.69	-3.10
Germany	+0.52	+0.85	-2.74	-11.36	-7.07	+1.98
reland	+0.60	-0.78	+5.03	-0.75	+2.79	+12,78
Italy	+2.85	-6.87	+9.27	+3.79	+4.90	+15.09
Netherlands	+2.68	+2.39	+1.49	-3.66	+0.85	+10.65
Norway	-0.75	+1.19	+1.20	-0.61	+3.87	+13.97
Spein	+0.99	-0.13	-7.08	-10.51	-7.22	+1.81
Sweden	+0.70	+4.11	+4.51	+5.52	+11.53	+22.38
Switzerland	-0.75	-1.75	-5.65	-14.00	-7.63	+1.35
UK	+1.47	+1.74	-2.46	-9.65	-9.65	-0.88
EUROPE	+1.30	+0.58	-2.98	-9.32	-6.60	+2,49
Australia	-0.48	+0.52	-1.35	-5.77	-5.99	+3.15
Hong Kong	+0.56	-2.91	+5.56	-22.18	-29.08	-22.18
Jepan	-0.68	-0.44	-2.16	+8.28	+19.15	+24.15
Meleysia	-1.10	-2.60	+16.01	-12.30	-15.65	-7.45
New Zealand	+2.32	+2.97	+3.39	+1.72	+2.01	+11.93
Singapore	+0.15	+4.24	+13.86	-1.22	-1.56	+8.01
Canada	-0.24	-0.63	+5.09	+2.54	-8.33	+0.58
USA	+1.86	+2.35	+1.49	+1.82	-7.20	+1.82
Mexico	-5.7 1	-5.11	+26.52	-1.56	-18.83	-10.94
South Africa	-0.71	+1.20	+49.48	+17.50	+14.14	+25.24
WORLD INDEX	+0.72	+0.76	+0.03	-0.41	-2.27	+7.24

Apparent variations in the European response to the US upward lead last week include a 2.75 per cent gain in France, according to the FT-Actuaries World Indices, set against one of just 0.52 per cent in Germany. However, Mr Jerry Evans, European strategist at Kleinwort Benson, points out that measuring both over the week to late Friday afternoon wipes out most of the deficit. Italy's gain, he says, reflects two prior weeks of underperform-ance, and speculative excitement about corporate stories and rumours against a background of low volume. Denmark, in contrast, fell after outperformance in the week before, and Switzerland slid mostly on worries about the dollar and its currency translation effect on earnings of the big Swiss internationals. The week's worst performer was Mexico, depressed by earnings below expectations at Telmex, the country's largest private company.

105.90

111.56 104.08 84.03 155.23

123.12 104,91 87.99 234,28 128.52

336.84 1906.35 135.56 46.77

147.85 99.86 125.07

142.82 105.16

116.61

94,98 161.11

1.1 174.22 117.37 149.69 178.65

72.10 48.57 147.55 99.40

188.97 125.96 382.54 244.24 305.55 205.85

158.72 106.93

211.70 156.09 157.09

239.14

157.20 165.59 154.50 124.73 230.41 182.76 165.72 130.61 347.75 190.77

499.98 1942.04 201.22 69.42

135.07

135.07 154.06 142.26 142.15 132.75 129.50 107.17 133.50 197.98 202.53 157.02 193.96 133.80 138.19 112.23 112.23 298.81 377.76 163.95 91.01 126.76 99.40 429.61 559.24

429.61 536.26 1668.68 7982.34 172.90 170.04 59.65 65.57

59,65 65,57 160,66 182,27 311,51 269,18 262,54 294,33 111,33 135,03

188.58 255.69 127.36 128.80 159.52 185.85

151.74 193.37

136,38 149,67 181,90 210,60 134,12 110,21

148.96 189.26 121.14 128.70 205.48 232.18 136.45 129.80 138.88 145.58 139.92 148.16

1.13 4.26 2.54 1.47 0.73 3.14 1.84 3.16 1.72 0.77 1.58 3.40 3.71 1.57 2.17 4.32 1.57 4.32

2.81 2.52 2.78 1.97 2.07 2.27

172.51

186.79

260.96 173.71

0.7 163.75 110.32 140.70 149.24 1.0 2.27 178.12 161.25 109.10 138.84 147.69 180.80 158.85 168.65

FT-ACTUARIES WORLD INDICES

.136.58 252.29

.200.12

__547.46 2126.47 __220.32 ___78.01

204.73 .396.96 .334,57

203,28

193.37

.173.79

_ 179.31

NATIONAL AND REGIONAL MARKETS

Austrelle (68) . Austria (16) Belgium (35) ... Canada (103) .

Hong Kong (58 ireland (14)..... Itely (56)

Netherland (19).... New Zealand (14).

Norway (23) Singapore (44) South Africa (59)

Spein (36) Sweden (36) .

EUROPE (707)

Nordic (116)..... Pacific Besin (747) -Euro-Pacific (1464)

Europe Ex. UK (503)

Dow lower at Ambroveneto up 9.7% more on bid talk

1312,32 1372,56

sentiment, weighing upon the New York morning, was manifest in the European afternoon,

MILAN continued to feature bid activity and speculation in banks, while the strength of Fiat also contributed to a 11.22 or 1.8 per cent rise in the Comit index to 635.43.

Traders commented that volume held up surprisingly well at around the recent depressed daily average of L500bn with banks closed by a strike for much of the day and ahead of today's public holiday. Ambroveneto, rumoured as a

bid target, advanced a further L462 or 9.7 per cent to L5,236, taking its surge over the last three sessions to 34 per cent. BCI, thought to be a possible suitor, gained L94 or 2.7 per cent at L3,556.

Credito Romagnolo picked up L71 to L16,949, off a high of L17.400, but still short of the L19,000 price offered by Credito Italiano. Credito rose L35 or 2.2 per cent to L1,640. Fiat put in a solid perfor-

mance, climbing L59 to L6,283 on renewed buying by Italian funds. Ferruzzi added L60 or 4.9 per cent at L1,293, with investors who had sold the stock at higher prices said to FRANKFURT offered apparent gains on the session, but

unfavourable market condi-FT-SE Actuaries Share Indices: tions would cause this year's earnings to fall short of the THE EUROPEAN SERIES writes Our Markets Staff. Open 10.30 11.00 12.00 13.00 14.00 15.00 Close FT-SE Eurobrack 100 1338.71 1339.78 1339.29 1339.81 1340.31 1340.43 1339.41 1337.14 FT-SE Eurobrack 200 1401.02 1401.09 1400.83 1401.48 1402.93 1402.90 1402.49 1400.54

Oct 27

1303,28 1361,02

0년 26

1300.71 1358.10

these mostly reflected last Fri-• second, the presence of day afternoon, when a higher three banks, Deutsche, Bayerndollar, rising bond prices and verein and Bayernhypo, in the an ebullient Wall Street made top five Dax performers in their mark in Europe; yester-October could suggest that the day the Dax index closed the bond market is over the worst official session at 2,071.63, up – although Mr Frahm was cau-31.31, of which 27.12 points tious about this, with US elec-

1386.91

FT-SE Eurotrack 100 FT-SE Eurotrack 200

were gained on Friday. tions coming up. Later indications were more ZURICH put in another firm subdued. The Ibis indicated performance, with dollar sensitive issues leading the way, and the SMI index finished 16.0 Dax ended 3.28 lower at 2,061.58, with individual features few and far between ahead at 2,506.5 but off a day's Turnover rose from DM5.4bn to DM5.6bn Among the dollar earners.

However, Mr Eckhard Frahm of Merck Finck in Düsseldorf produced his monthly review of the Dax and its constituents, which included a counle of hopeful pointers in vesterday's

 first, while there were some almost superstitious worries about the month of October. the Dax did better than many expected last month, with a 3 per cent gain against a 9.1 per cent fall in September; and

1993 level came after the market closed. CS Holding, a beneficiary of switching out of UBS, gained SFr8 to SFr549. Among firm insurers, Zurich

rose SFr10 to SFr1,145 and Winterthur added SFT4 to SFr638 francs ahead of Thursday's news conference. AMSTERDAM climbed as investors awaited third quarter

week. The AEX index gained 3.57 to 412.62, after 415.35. The market was also supported by strength in the dollar and in bonds, although there was a slight sell off when Wall Street opened down.

results from a number of major

Dutch companies later in the

Philips was among the day's gainers, up Fl 1.70 or 3.1 per cent to Fl 55.80 ahead of its third quarter results which are due on Thursday. The figures are expected to show that the electronics group is making substantial progress in its return to financial health.

DSM, which opens the reporting season today, went against the trend, off Fl 1.80 to Fl 146.00 as profits were taken following strong gains in the nast week. Analysts expected the chemicals group to return a profit of around F1 102m, against a net loss of FI 52m in the same 1993 period.

Akzo Nobel, which reports tomorrow, moved ahead F12.60 to FI 212.90.

MADRID managed to report a gain in spite of renewed bond market weakness. The general index rose 0.97 to 296.30 as the domestic December bond future fell 50 basis points to

Turnover was thin ahead of today's holiday, at Ptal8.8bn. Repsol was the big blue chip winner with a rise of Pta50 to Pta4,005, off an intraday high of Pta4,070. The oil company is expected to release third quarter results soon.

Constructions, weak last week, recovered with Cubiertas Pta120 higher at Pta8,050 and FCC up Pta150 at Pta12,600. In retailers, Cortefiel rose Pta120 to Pta4.480 on first half results which showed net

profits up 7.6 per cent. STOCKHOLM enjoyed a broad rally led by the pharmaceutical group, Astra, and the engineer, Asea. The Affarsvariden General index rose 13.2 to 1,485.0 with Astra A up SKr5.50 at SKr194.50 and Asea, which owns 50 per cent of the Swiss-Swedish engineering group, ABB Asea Brown Boveri, up SKr7 to SKr522 in a rebound after recent losses.

Written and edited by William

of brisk foreign buying and a

firmer Indosat price. The offi-

cial index ended 7.09 higher at

523.49. Indosat's strong perfor-

mance in New York was

reflected in the domestic mar-

S African golds lose A nearly 3%

bullion, which hit a low of Mators critici Mator handling Ames spy ca about \$382 an ounce in London trading during the session, made its effect felt on the Johannesburg gold shares index, which dropped by nearly 3 per cent.

Dealers remarked that hopes that gold would attain the \$400 level, which had been supporting prices during late September and early October, had receded, thereby resulting

in heavy selling. The golds index closed 67 down at 2,224, with sellers also coming into the market after the release of US consumer expenditure data which showed a smaller than expected September rise. The industrials index was

1,00

ಕ್ಷಮಾಧಿಕಾಧಿಕ ೧೯, ೧೫೦ ೧೯೧೩

ter beys hames out on gro

sales trade se ::

Tages Enter's Acces

.: :2-

. .

\$202d by 23 .

≱2000 - 1

÷ :::

77

iwseeks waste subsert say

Panes for biggest a start

The Electricity drops Sk

admits export create the

Water raises die com

15 Feb. 12

PRINCIPAL INCIDES

MONTHE RATES

affected by the fall in gold, but managed to regain positive South Africa

indices (rebesed)

territory by the close, adding 6 at 6,604. The overall index slipped 27 to 5,723.

Since reaching a year's high of 2,535 at the start of September, the golds index has fallen by 12 per cent, but remains 2.7 per cent up from its position at the beginning of January.

Among the day's movers, Driefontein, the gold miner, slipped R2.75 to R64, while Western Deep declined R10 to R214. Gencor ended 25 cents off at R14.75.

De Beers, which said it was increasing investment in Tanzania through its Willcroft subsidiary company, relinguished R2 at R98.55 Vaal Reefs finished R12

down at R416, while Freegold

retreated R2 to R68 and

Loraine softened 25 cents to

Nikkei higher as Hong Kong sees 2.8% rise

Roche certificates gained

Surveillance surged SFr120

or 7.1 per cent to SFrI.820

while Holderbank and Nestlé

each improved SFr20 to SFr969

bearers fell SFr23 to SFr1,177

as investors continued to

switch out of the stock ahead

of the extraordinary sharehold-

ers meeting on November 22.

The bank's statement that

and SFr1,174 respectively.

SFr125 at SFr5.585.

Tokyo

An easing of selling pressure on Japan Tobacco, whose unsuccessful listing last week eroded confidence, encouraged buying by overseas and institutional investors and the Nikkei 225 average gained ground, writes Emiko Terazono in

The index closed 184.44 higher at 19,989.60, rising for the fourth consecutive day. It fluctuated between 20,000.70 and 19,855.47, with trading by securities dealers also lifting

Volume totalled 245m shares, against 251m. The Topix index of all first section stocks gained 17.34 at 1,584.66, while the Nikkei 300 put on 3.71 at 390.50. Rises outnumbered falls by 776 to 198, with 172 issues unchanged. But in London the ISE/Nikkei 50 index was 1.38 easier at 1,305.46.

The advance on Wall Street on Friday encouraged futures trading which, in turn, prompted arbitrage buyers. Overseas investors, followed by domestic institutions, bought large-capitalisation shipbuilders on hopes of a worldwide recovery in steel

Over the next few weeks the market is expected to focus on interim earnings announcements and forecasts for the full year. However, some analysts did not think that profit increases would lift share prices for the time being. Traders also said potential sellers around the 20,000 Nikkei 225 level were expected to cap a rise in shares.

Steel companies led activity. Nippon Steel rose Y4 to Y400 and NKK by Y2 to Y299. Shipbuilders were also traded, with Hitachi Zosen up Y13 to Y567 and Mitsubishi Heavy Industries by Y14 to Y789.

Japan Tobacco, which declined sharply following its listing last week, rallied Y20,000 to YL08m, while other privatisation issues were also firm, with East Japan Railway up Y1,000 to Y483,000 and Nippon Telegraph and Telephone gaining Y15,000 at Y905,000.

Japan Telecom, the long distance telecommunications operator, fell Y60,000 to a new low for the year of Y3.54m on profit-taking Kyushu Matsushita Electric, an affiliate of Matsushita Electronics Industrial. shed Y400 to Y2,440: investors were discouraged by a 61 per

profits and the forecast of a 40 er cent earnings decline for the full year. In Osaka, the OSE average rose 165.79 to 22,094.95.

cent fall in interim pre-tax

Roundup

Friday's rally on Wall Street provided a lead for some Pacific Rim markets. Taiwan and Manila were closed. HONG KONG followed Wall

Street and saw a flood of nent-un demand drive the market ahead by 2.8 per cent, its biggest one-day rally since August 30. The Hang Seng index rose 266.78 to 9,646.25 in a broadly based rally led by recent laggards. The mood was also boosted

by growing expectations that Britain and China were close to a deal on the financing for Hong Kong's new airport, HK\$1.50 to HK\$91.50. BANGKOK finished 1.5 per

cent higher amid demand for building material and property development shares, ahead of the launch of a Bt5bn mutual fund to invest in these sectors. The SET index closed at the

day's high, up 22.71 at 1,528.83, in heavy turnover of Bt9.1bn. SEOUL was higher in active trading after wide fluctuations on the back of renewed buying interest in securities houses and lower-priced manufacturing shares. The composite index closed 7.36 ahead at 1,105.62, having hit a day's high of 1,115.48. Volume, at 55.9m shares, was sharply up from Friday's 47m.

Securities shares with good earnings forecasts found demand. Ssangyong Investment and Hanshin rose Won1,000 each to go limit-up at Won25,300 and Won21,000

SYDNEY finished higher, taking its lead from foreign markets, but the market

index index

156.17 105.86 134.28 147.29 178.58 154.79 211.69 143.23 182.02 209.06 233.81 173.19 156.26 105.05 133.50 110.17 178.86 134.79

145.38 186.19 192.73 119.30 126.68 158.12

203.13 231.33 296.21 135.21 128.91 176.85 136.87 144.17 178.59

190.13 172.12 116.45 147.99 190.13

211,699 143,23 156,25 105,05 155,53 105,23 169,09 114,40 138,75 93,67 236,24 159,84 157,25 108,39 159,18 107,70 180,31 108,45 170,73 115,51

188.60 170.73 115.51 148.80

remained overshadowed by 2,100.37, while the NZSE-40 today's domestic balance of payments data.

Volume was thin at 138.9m shares as the All Ordinaries index closed 23.6 or 1.2 per cent up at 2.044.8.

Finance stocks met healthy buying. The four major banks all finished higher, with investors buying in anticipation of strong final result announcements shortly. ANZ rose 10 cents to A\$3.90 and Westpac 8 cents to A\$4.53.

WELLINGTON was modestly firmer after a number of leading stocks went ex-dividend, putting a restraining influence on the main index. The NZSE-40 Capital index, which does not adjust for ex-dividends, ended 5.21 higher at Gross index, which does adjust, put on 23.35 at 2,560.78 in turnover of NZ\$38.2m. KUALA LUMPUR's early

gains were cut short as investors largely ignored the 1995 budget, announced last Friday. and prices put under more pressure by bouts of forced selling by clients unable to meet margin calls. The composite index ended

4.19 off at 1,108.85 after hitting an early high of 1,122.72. SINGAPORE saw property and finance issues make the most headway, while Malaysian stocks were lower, again on forced selling. The Straits

JAKARTA held on to early

Times Industrial index rose

ket. with its price rising another Rp125 to Rp8,650. COLOMBO edged ahead on domestic buying, but turnover of SLRs30.8m was at its lowest level this year on poor foreign demand. The All-share index gained 3.33 at 1,093.65. SHANGHAI'S A share index

fell 4.7 per cent, but was off its lows after the exchange president reiterrated July's commitment to introduce market boosting measures. The index lost 32.78 at 668.63 in very thin turnover of Yn1.4bn.

This is the man who runs a drugs racket, sells arms to terrorists, who launders

the proceeds through supposed legal means.

This is the man who be investing with you.

More and more money made by Illegal means is being invested in legitimate organisations. Government legislation now states that precautions must be taken to prevent money laundering.

A report from D&B will help you meet the recommendations of the Joint Money Laundering Steering Group by providing key information on the principals, ownership and activities of a business.

Already, the top ten financial advisers and stockbrokers seek a detailed report from Dun & Bradstreet before doing business with a potential client, D&B's worldwide network of offices enable you to access this information on over 34 million companies across 200 countries

Call us now on 0800 001234 and see how Dun & Bradstreet's reports can help you build a clearer picture of your customers.

Dun & Bradstreet International

Committed to your success